BOARD OF DIRECTORS

Sh. Jawahar Lal Oswal	**Chairman**
Sh. Dinesh Oswal	Managing Director
Sh. Kamal Oswal	Director
Sh. Dinesh Gogna	Director
Sh. Satish Kumar Sharma	Director
Dr. Suresh Kumar Singla	Independent Director
Dr. Amrik Singh Sohi	Independent Director
Dr. Manisha Gupta	Independent Director
Dr. Vijay Asdhir	Independent Director
Dr. Roshan Lal Behl	Independent Director

CHIEF FINANCIAL OFFICER
Sh. Anil Garg

G.M. (FINANCE)
Sh. P. K. Vashishth

COMPANY SECRETARY
Sh. Brij Sharma

AUDITORS

M/s. YAPL & Co., Chartered Accountants
102, Kismat Complex, G.T. Road, Miller Ganj, Ludhiana-141 003.

PRINCIPAL BANKERS : Punjab National Bank, State Bank of India

REGD. OFFICE : 373, Industrial Area- 'A', Ludhiana-141 003

WORKS : 427, Industrial Area - 'A', Ludhiana (Punjab)
Dhandari Kalan, G.T. Road, Ludhiana (Punjab)
Village Simrai, Mandideep, Distt. Raisen (M.P.)
Village Lalru and Lehli, Distt. S.A.S. Nagar (Punjab)
Village Jalalpur, Distt. S.A.S. Nagar (Punjab)
Rishab Spinning Mills, Village Jodhan, Distt. Ludhiana
Nahar Fibres, Jitwal Kalan, Malerkotla, Distt. Sangrur

42nd ANNUAL GENERAL MEETING

Day : Wednesday

Date : 24th August, 2022

Time : 10.00 A.M.

Mode : Video Conference (VC) or other Audio Visual Means (OAVM)

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE **42nd ANNUAL GENERAL MEETING (AGM)** of the members of **NAHAR SPINNING MILLS LIMITED ('the Company')** will be held on **Wednesday, the 24th day of August, 2022 at 10.00 A.M** through Video Conferencing / Other Audio Visual Means to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO.1- ADOPTION OF FINANCIAL STATEMENTS

To consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon.

ITEM NO: 2 - CONFIRMATION AND DECLARATION OF DIVIDEND

To confirm Interim Dividend of Rs. 1.50/- per equity share of Rs. 5/- each and to declare a Final Dividend of Rs. 2.00/- per equity share of Rs. 5/- each on Equity Share Capital for the financial year ended 31st March, 2022.

ITEM NO: 3 – APPOINTMENT OF MR. JAWAHAR LAL OSWAL AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a Director in place of Mr. Jawahar Lal Oswal (DIN:00463866) in terms of Section 152(6) of the Companies Act, 2013, who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO: 4 - APPOINTMENT OF MR. SATISH KUMAR SHARMA AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a director in place of Mr. S.K. Sharma (DIN: 00402712) in terms of Section 152(6) of the Companies Act, 2013, who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO: 5- APPOINTMENT OF STATUTORY AUDITORS

To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the companies (Audit and Auditors) Rules, 2014 (including any statutory modifications (s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s Gupta Vigg & Co., Chartered Accountants (Firm Registration No. 001393N) having their office at 101, Kismat Complex, Miller Ganj, Ludhiana-141003, be and are hereby appointed as Statutory Auditors of the Company, for a term of 5(five) consecutive years commencing from the conclusion of 42nd Annual General Meeting of the Company till the conclusion of 47th Annual General Meeting to be held in 2027, on such remuneration, as may be mutually agreed upon by the Board of Directors and the Auditors."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to the above Resolution."

SPECIAL BUSINESS:

ITEM NO: 6 - RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Cost Auditors M/s. Ramanath Iyer & Co. (Firm Registration No. 000019), New Delhi appointed by the Board to conduct the audit of the Cost Records of the Company for the financial year 2022-23 at a remuneration of Rs. 1.9 Lakhs (Rupees One Lakh Ninety Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred, be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO: 7 - TO APPROVE INCREASE IN REMUNERATION OF MS. TANVI OSWAL

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Companies (Meetings of Board and its powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time), and on the recommendation of Nomination and Remuneration committee, Audit committee and approval by the Board of Directors, consent and approval of the members of the Company, be and are hereby accorded for the increase/ revision in the remuneration of Ms. Tanvi Oswal, President of the Company w.e.f. 1st September, 2022 as set out below:

1. **Salary (Pay Scale):**

   Rs. 15,00,000 per month in the pay scale of Rs. 15, 00,000-1, 00,000-20, 00,000.

2. **Housing:** HRA @ 30% per month of the Basic Salary.
3. **Telephone:** Mobile/Telephone facility as per the Company's rules.
4. **Leave Encashment:** Leave encashment as per the Company's rules.
5. **Club Fees:** Fees of club subject to a maximum of two clubs including Admission Fees and Life Membership Fees.
6. **Leave Travel Concession:** Leave Travel concession for a self and family once in a year incurred by her.
7. **Provident Fund:** Company's contribution towards Provident Fund as per Provisions of Employees Provident Fund Act.
8. **Gratuity:** Payable at a rate not exceeding half a month's salary for each completed year of service as per Company's rules.
9. **Reimbursement:** Reimbursement of actual traveling, boarding and lodging expenses and other amenities like Telephone, Mobile and Car expenses as may be incurred by her from time to time, in connection with the Company's business."
10. **Medical Reimbursement:** Reimbursement of expenses incurred including Insurance premium paid for the medical policy for self -subject to a ceiling of one month's salary.

"RESOLVED FURTHER THAT Board of Directors including the Nomination and Remuneration Committee be and are hereby authorized to give yearly increment in the remuneration within the above pay scale to Ms. Tanvi Oswal from time to time in accordance with the Company's policy."

"RESOLVED FURTHER THAT Board of Directors including the Nomination and Remuneration Committee, be and are hereby authorized to do all such acts, deeds, things, as they may deem necessary, proper or expedient to give effect to the above resolution."

ITEM NO: 8-TO APPOINT DR. YASH PAUL SACHDEVA (DIN: 02012337), AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as an **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 164 read with Schedule IV and any other applicable provisions of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, Dr. Yash Paul Sachdeva (DIN: 02012337) who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for 5 (five) consecutive years for a term upto August 23, 2027."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO: 9 - TO APPOINT DR. ANCHAL KUMAR JAIN (DIN: 09546925), AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as an **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149,152 and 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, Dr. Anchal Kumar Jain (DIN: 09546925) who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for 5 (five) consecutive years for a term upto August 23, 2027."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO: 10 – RE-APPOINTMENT OF DR. VIJAY ASDHIR (DIN: 06671174), AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 & 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and on the recommendation of

the Nomination and Remuneration Committee and Board of Directors. Dr. Vijay Asdhir (DIN: 06671174), who was appointed as an Independent Director for 5(five) consecutive years by the shareholders on 26th September, 2017 and who holds office upto September 25th, 2022 and who qualifies for being appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (five) consecutive years for a second term w.e.f. September 26, 2022 upto September 25, 2027."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO: 11 – RE-APPOINTMENT OF DR. MANISHA GUPTA (DIN: 06910242), AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 & 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the SEB d i c

UNDER REGULATION 17(6)(E) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013, if any, and as per the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the consent and approval of the Members be and are hereby accorded for the payment of remuneration to Mr. Dinesh Oswal, Managing Director of the Company (DIN: 00607290) being a member of Promoter/Promoter Group of the Company, as approved by Shareholders vide their Special Resolution dated 29th September, 2021, notwithstanding the aggregate annual remuneration payable to him may exceeds the limit as provided under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during his current tenure i.e. from 1st January, 2022 to 31st December, 2026."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

BY ORDER OF THE BOARD

DATE: 23RD JULY, 2022 **BRIJ SHARMA**
(COMPANY SECRETARY)

REGISTERED OFFICE:
373, Industrial Area-A,
Ludhiana -141003 (India)
CIN: L17115PB1980PLC004341
E-mail: secnsm@owmnahar.com

NOTES:

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars"). Thus, the 42nd Annual General Meeting will be held through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the Members at a common venue. Members can attend and participate in the ensuing AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 25.
2. The venue of the Meeting shall be deemed to be the Registered Office of the Company.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.
4. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. In line with the MCA Circulars and SEBI Circular dated May 12, 2020, January 15, 2021 and May 13, 2022, the Notice calling the AGM alongwith Annual Report for the year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2021-22 has been uploaded on the website of the Company at www.owmnahar.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com. However, hard copy of full annual report will be sent to the shareholder who request for the same.
7. The Register of Members and Share Transfer Register of the Company shall remain closed from 13th August, 2022 to 16th August, 2022 (both days inclusive) for the purpose of equity dividend for the year ended 31st March, 2022.
8. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members subject to deduction of tax at source, whose names shall

appear in Register of Members as on 12th August, 2022 or Register of Beneficial Owners, maintained by the Depositories at the close of 12th August, 2022.

Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend income is taxable in the hands of members and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act, 1961. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, in accordance with the provisions of the IT Act.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Jawahar Lal Oswal and Mr. Satish Kumar Sharma, Non-Executive Directors, retire by rotation at this Meeting and offer themselves for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend their respective re-appointments.
11. The relevant information under Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, regarding the Directors who are proposed to be appointed/re-appointed, is given hereto and form part of the Notice.
12. Pursuant to Section 124(5) of the Companies Act, 2013, unclaimed dividend upto the financial year 2013-14 has been transferred to Investor Education and Protection Fund. Further, unpaid dividend for the year 2014-15 is to be transferred to Investor Education and Protection Fund in November, 2022. Shareholders who have not encashed their dividend warrants relating to said period are requested to claim the amount from the Company at the earliest.
13. Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares in respect of which dividend remained unclaimed or unpaid for a period of seven consecutive years or more to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: http://www.owmnahar.com/spinning/transfer-of-equity-shares-to-IEPF.php. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
14. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the weblink: http://www.iepf.gov.in/IEPF/refund.html or contact the Company for lodging claim for refund of shares and / or dividend from the IEPF Authority.
15. As per Regulation 40 of SEBI (LODR) Regulations, 2015, securities of listed companies can be transferred only in dematerialized of form.

    In view of the above and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent: M/s. Alankit Assignments Limited for assistance in this regard.
16. The Company provides the facility of paying dividend through Electronics Clearing System (ECS). The members desirous of availing the facility of electronic credit of dividend are requested to ensure that their correct bank details alongwith 9 digit MICR code of their Bank is updated in the records of the Depository Participant (DP). Members, who hold the shares in physical form, should contact the Registrar & Transfer Agent or the Company in this regard. In order to prevent fraudulent encashment of dividend warrants, members are requested to provide their correct bank account details to their DP in case of electronic holding and to the Registrar & Transfer Agent or the Company in case of physical holding.
17. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form No. SH-13).
18. Members holding shares in physical form, in identical

mode and non-individual shareholders in demat mode.

(i) The voting period begins on 21st August, 2022 (9:00 a.m.) and ends on 23rd August, 2022 (5:00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17th August, 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The members who have voted through remote e-voting will be eligible to attend the AGM but they will not be entitled to vote at the AGM.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode **with CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi /Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the E-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Provider i.e. CDSL/NSDL/ KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/Easi Registration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered

	Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https:// eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl. com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method of e-Voting and joining virtual AGM for Physical Shareholders & shareholders other than individual shareholders holding in demat form.

a. The shareholders should log on to the e-voting website www.evotingindia.com.

b. Click on "Shareholders" module.

c. Now Enter your User ID

i. For CDSL: 16 digits beneficiary ID,

ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Physical Shareholders and other than individual shareholders holding shares in demat
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for NAHAR SPINNING MILLS LIMITED i.e. 220723003 to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xx) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

• Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting @cdslindia.com.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at bathla7@gmail.com and to the Company at secnsm@owmnahar.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 17th August, 2022 may follow the same instructions as mentioned above for e-Voting.

(xxii) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

(xxiii) Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the e-voting:

Mr. Brij Sharma,
Company Secretary and Compliance Officer
373, Industrial Area-A, Ludhiana – 141003
CIN: L17115PB1980PLC004341
Phone: 0161-2600701 to 705
E-mail: secnsm@owmnahar.com

26. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING AGM ARE AS UNDER:

(i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

(ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

(iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

(v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

(vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secnsm@owmnahar.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secnsm@owmnahar.com. These queries will be replied to by the company suitably by email.

(viii) Those shareholders who have registered themselves as a speaker will only be allowed to

express their views/ask questions during the meeting.

(ix) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(x) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/ OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Other instructions:

27. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut off date.
28. The Company has appointed Mr. P.S. Bathla, Practising Company Secretary (Membership No. FCS 4391), to act as the Scrutinizer to the e-voting process i.e. votes cast during the AGM and votes cast through remote e-voting, in a fair and transparent manner.
29. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within two working days of the conclusion of the AGM.
30. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.owmnahar.com and on the website of CDSL i.e. www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
31. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 47th Annual General Meeting i.e. 24th August, 2022.
32. A person who is not a Member as on the cut off date i.e. 17th August, 2022 should treat this Notice for information purposes only.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned under Item No. 5 to Item No. 14 of the accompanying Notice:

ITEM NO. 5

Information pursuant to Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The shareholders in their Meeting held on 26th September, 2017 approved the appointment of M/s. YAPL & Co., Chartered Accountants, Ludhiana (Firm Registration No. 017800N), as Statutory Auditors of the Company to hold office for a term of 5(five) consecutive years commencing from Company's financial year 2017-18 to hold office from the conclusion of 37th Annual general Meeting till the conclusion of 42nd Annual General Meeting of the Company to be held in the year 2022. Thus, YAPL & Co., Chartered Accountants as Statutory Auditors of the Company will complete their term on the conclusion of ensuing Annual General Meeting of the Company.

The Board of Directors at their meeting held on 23rd July, 2022, based on recommendations of the Audit Committee, have approved the appointment of M/s. Gupta Vigg & Co., Chartered Accountants, as the Statutory Auditors of the Company for a term of 5 (five) consecutive years i.e. from the conclusion of this AGM till the conclusion of 47th AGM to be held in the year 2027. The appointment is subject to approval of the shareholders of the Company.

Before recommending the appointment of M/s. Gupta Vigg & Co., Chartered Accountants, as the Statutory Auditors of the Company, the Audit Committee considered various parameters like capability to serve the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Gupta Vigg & Co., Chartered Accountants, to be suitable to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. The Statutory Auditors fulfil the eligibility criteria, including relating to independence and conflict.

M/s. Gupta Vigg & Co., is a Chartered Accountant Firm registered with Institute of Chartered Accountants of India with Firm Registration No. 001393N. The firm was established in the year 1970 and is led by six partners. The firm provides a range of services which include audit & assurance, taxation, advisory & accounting. The firm has significant experience in providing auditing, taxation and advisory services to banks and other financial services to their clients.

In accordance with the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies

(Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), M/s. Gupta Vigg & Co., Chartered Accountants, has given their consent and eligibility certificate to that effect, their appointment, if made, would be in compliance with the applicable Laws/Rules.

The remuneration to be paid to Statutory Auditors during the term shall be as mutually agreed between the Board of Directors and Statutory Auditors, from time to time. There is no material change in the fee payable to M/s. Gupta Vigg & Co., from that paid to the outgoing Auditors i.e. M/s. YAPL & Co.

None of the other Directors or Key Managerial Personnel of the Company or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6

As per the provisions of Companies (Cost Records and Audit) Rules, 2014, as amended Company's activities fall within the purview of Cost Audit requirement. Accordingly, the Board at its meeting held on 25th May, 2022 on the recommendation of Audit Committee, approved the appointment of M/s Ramanath Iyer & Co., Cost Accountants, New Delhi (Firm Registration No. 000019) at a remuneration of Rs. 1.9 Lakhs (Rupees One Lakh Ninety Thousand only) plus applicable taxes and Reimbursement of Out of pocket expenses incurred for conducting the Cost Audit of the Cost records of the Company for the financial year 2022-23.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the shareholders of the Company.

Accordingly, consent and approval of the shareholders is being sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of remuneration payable to M/s. Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) for financial year 2022-23.

None of the Directors of the Company, the Key Managerial Personnel of the Company or their relatives are, in any way concerned or interested financial or otherwise in the aforesaid resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the members.

ITEM NO. 7

Ms. Tanvi Oswal joined the Company as Deputy Executive w.e.f. 1st November, 2018. She is daughter of Mr. Dinesh Oswal, Managing Director of the Company & thus a relative under Section 2(77) of the Companies Act, 2013. She has done her graduation in Bachelor of Science with Honours in Management from University of Nottingham (U.K.).

Seeing her performance, the Board on the recommendation of Nomination and Remuneration Committee promoted her as Manager of the Company w.e.f. 1st December, 2019 and her salary was fixed at a basic Pay of Rs. 1,40,000/- plus perks and benefits as per Company's Rules.

Having regard to her leadership qualities, performance, responsibilities shouldered and as well as prevalent industry benchmarks, the Nomination and Remuneration Committee, Audit committee recommended her for promotion as President & proposed to increase her monthly salary in a pay scale of Rs. 15,00,000-1,00,000-20,00,000 plus perks and benefits as per Company's Rules/Policy, w.e.f. 1st September, 2022, as mentioned in the resolution set out at item no. 7 of the accompanying Notice.

The Audit Committee and the Board in its meeting held on 23rd July, 2022 has also approved the said proposal (subject to approval of the Shareholders) under the provisions of section 188(1)(f) of the Companies Act, 2013.

The approval of shareholder is being sought as the proposed salary of Ms. Tanvi Oswal, holding place of profit, will stand increased to more than two and a half lakh rupees per month, the limit as specified in Section 188(1)(f) of the Companies Act, 2013.

Mr. Dinesh Oswal (Managing Director), Mr. Jawahar Lal Oswal (Chairman) and Mr. Kamal Oswal (Director), Mrs. Ritu Oswal (Export Advisor) being relatives of Ms. Tanvi Oswal may be deemed to be concerned or interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of the members.

ITEM NO. 8

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Dr. Yash Paul Sachdeva for the office of

the Independent Director of the Company.

The Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Yash Paul Sachdeva, has recommended to the Board his appointment. Accordingly, the Board having regard to skills, experience and knowledge of Dr. Yash Paul Sachdeva, in its Meeting held on 23rd July, 2022 has proposed the appointment of Dr. Yash Paul Sachdeva, as an Independent Director on the Board of the Company for a term of 5(five) consecutive years commencing from this Annual General Meeting upto August 23, 2027.

Dr. Yash Paul Sachdeva is 60 years of age. He is MBA with specialization in Financial Management and Ph.D. (Capital Markets and Investment Management). He is an eminent educationist and Corporate Advisor. His areas of specialization are Accounting and Financial Management, Security Analysis and Portfolio Management, and Management Control Systems. He has more than 30 years of experience in the field of Business Management and Administration. He retired as Professor in the Business Administration Department of Punjab Agriculture University, Ludhiana. He was also associated with the Company as Independent Director from the year 2011 to 2017. As identified by the Nomination and Remuneration Committee of the Company, the role of Independent Director requires various skills and capabilities viz; Leadership skills, Managerial and entrepreneurial skills, understanding of relevant laws, rules, regulations and policies, financial knowledge, policy shaping, corporate governance etc. Dr. Yash Paul Sachdeva meets these requirements of skills and capabilities as required to be an Independent Director of the Company. Having regard to his vast expertise and knowledge, it will be in the interest of the Company to appoint him as an Independent Director.

The Company has received from Dr. Yash Paul Sachdeva (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Yash Paul Sachdeva fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website www.owmnahar.com.

Dr. Yash Paul Sachdeva does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

None of the Directors except Dr. Yash Paul Sachdeva, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommend the Secial Resolution set out at Item No. 8 of the Notice for the approval of members.

Brief resume of the Dr. Yash Paul Sachdeva, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

ITEM NO. 9

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director requires approval of Members. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Dr. Anchal Kumar Jain for the office of the Independent Director of the Company.

The Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Anchal Kumar Jain, has recommended to the Board his appointment. Accordingly, the Board having regard to skills, experience and knowledge of Dr. Anchal Kumar Jain, in its Meeting held on 23rd July, 2022 has proposed the appointment of Dr. Anchal Kumar Jain, as an Independent Director on the Board of the Company for a term of 5(five) consecutive years commencing from this Annual General Meeting upto August 23, 2027.

Dr. Anchal Kumar Jain is 62 years of age and he has done B.Tech, M.Tech & P.h.D. and having more than 37 years experience in Teaching. He has retired as Professor and Head (Soil and Water Engineering) from Punjab Agricultural University, Ludhiana. He was awarded 'Noble Citizen Award' in 2020. He was awarded 'Team Award' and 'Commendation Medal' from Indian Society of Agricultural Engineers for outstanding Contributions to research in soil and water engineering. Besides this, he was also honored with 'Shiksha Rattan Puraskar' in 2010 by India International Friendship Society. He has also served as Professor at Lovely Professional University,

Phagwara (Punjab). Having regard to his vast expertise and knowledge, it will be in the interest of the Company to appoint him as an Independent Director of the Company.

The Company has received from Dr. Anchal Kumar Jain (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Anchal Kumar Jain fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website www.owmnahar.com.

Dr. Anchal Kumar Jain does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

None of the Directors except Dr. Anchal Kumar Jain, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommend the Special Resolution set out at Item No. 9 of the Notice for approval of the members.

Brief resume of the Dr. Anchal Kumar Jain, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

ITEM NO. 10

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Vijay Asdhir was appointed as Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto September 25, 2022. Thus, his period of office will be expiring on September 25, 2022.

Based on the recommendation of the Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Vijay Asdhir and on the basis of report of performance evaluation, the Board in its Meeting held on 23rd July, 2022 has proposed the re-appointment of Dr. Vijay Asdhir as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from September 26, 2022 upto September 25, 2027.

Dr. Vijay Asdhir is 75 years of age. He is M.Com, Ph.D. He retired as Head of Commerce Department (Post Graduate), Government College, Ludhiana and as a Director in the Khalsa Institute of Management, Ludhiana. As identified by the Nomination and Remuneration Committee of the Company, the role of Independent Director requires various skills and capabilities viz; Leadership skills, Managerial and entrepreneurial skills, industry knowledge and experience, understanding of relevant laws, rules, regulations and policies, financial knowledge, policy shaping, corporate governance, risk management etc. Dr. Vijay Asdhir meets these requirements of skills and capabilities as required to be an Independent Director of the Company. He is having more than 38 years of experience in the field of Business Management and Administration and served as Independent Director in various Listed Companies.

Having regard to his vast knowledge and expertise, the Board is of the opinion that his continued association would be of immense beneficial to the Company and it is desirable to re-appoint him as an Independent Director for a second term of 5(five) years to avail his services as an Independent Director.

The Company has received from Dr. Vijay Asdhir (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Vijay Asdhir fulfills the conditions for his re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter for his appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website www.owmnahar.com.

Dr. Vijay Asdhir does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

None of the Directors except Dr. Vijay Asdhir, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommend the special resolution set out at Item No. 10 of the Notice for approval of the members.

Brief resume of the Dr. Vijay Asdhir, nature of his expertise in specific functional area and names of the Companies in which he holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

ITEM NO. 11

Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Manisha Gupta was appointed as Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto September 25, 2022. Thus his period of office will be expiring on September 25, 2022.

Based on the recommendation of the Nomination and Remuneration Committee after verifying the profile and suitability of Dr. Manisha Gupta and on the basis of report of performance evaluation, the Board in its Meeting held on 23rd July, 2022 has proposed the re-appointment of Dr. Manisha Gupta as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from September 26, 2022 upto September 25, 2027.

Dr. Manisha Gupta is 43 years of age. She is B.Com, MBA (Finance) and Ph. D. Presently, she is working as a Director at Punjab Institute of Management and Technology, Mandi Gobindgarh. As identified by the Nomination and Remuneration Committee of the Company, the role of Independent Director requires various skills and capabilities viz; Leadership skills, Managerial and entrepreneurial skills, industry knowledge and experience, understanding of relevant laws, rules, regulations and policies, financial knowledge and expertise, policy shaping, corporate governance, risk management etc. Dr. Manisha Gupta meets these requirements of skills and capabilities as required to be an Independent Director of the Company. Moreover, she is having more than 22 years of experience in Teaching and Research of Management and Administration and served as Independent Director in various Listed Companies.

Having regard to her vast knowledge and expertise, the Board is of the opinion that her continued association would be of immense beneficial to the Company and it is desirable to re-appoint her as an Independent Director for a further term of 5(five) years to avail her services as an Independent Director.

The Company has received from Dr. Manisha Gupta (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Manisha Gupta fulfils the conditions for her re-appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She is independent of the Management and possesses appropriate skills, experience and knowledge. Copy of the draft letter of her appointment as an Independent Director is available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website www.owmnahar.com.

Dr. Manisha Gupta does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

None of the Directors except Dr. Manisha Gupta, Key Managerial Personnel or their relatives, in any way, may be deemed to be concerned or interested, financially or otherwise, in the Resolution.

The Board recommends the Special resolution set out at Item No.11 of the Notice for approval of the members.

Brief resume of the Dr. Manisha Gupta, nature of her expertise in specific functional area and names of the Companies in which she holds the directorships/ memberships/ chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided at the end of this Notice.

ITEM NO. 12

M/s Monte Carlo Fashions Limited, M/s. Nahar Industrial Enterprises Limited, M/s Oswal Woollen Mills Limited, M/s Nahar Poly Films Limited and M/s Nahar Capital and Financial Services Limited are the Group Companies and thus are the Related Parties as per section 2(76) and Section 188 of the Companies Act, 2013. M/s Monte Carlo Fashions Limited is engaged in the retail Business of Garments. M/s Nahar Industrial Enterprises Limited and M/s Oswal Woollen Mills Limited are engaged in the

manufacture of yarns, cotton and woollen garments and fabric. These Companies in the ordinary course of business buy/sell garments, yarns and fabrics etc. and also getting job work of manufacturing of garments from the Company. Sometimes, transactions with M/s Nahar Poly Films Limited and M/s Nahar Capital and Financial Services Limited also takes place. All the transactions are entered with the above said Companies, are in the ordinary course of business and are on Arm's length basis.

All the related party transaction(s) specified under section 188(1), the value/consideration of which is in excess of their respective limits prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, has to be approved by the members in the General Meeting. Whereas the third proviso to section 188(1) also states that nothing in section 188(1) will apply to any transaction entered into by the Company in its Ordinary course of business and at arm's length basis.

Further in accordance with Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 Company is required to seek shareholder's approval for material related party transactions.

Taking into Account the statutory provisions the Board of Directors intend to seek your prior approval for the Contracts(s)/ Agreement(s)/ Transaction(s) to be entered with the Group Companies or Related Parties for a period of three years w.e.f. 1st April, 2023.

Sh. Jawahar Lal Oswal, Chairman, Sh. Dinesh Oswal, Managing Director and Sh. Kamal Oswal, being the promoters and directors may be deemed to be concerned/ interested in the said resolution.

None of the others directors and Key Managerial Personnel of the Company and their relatives, except as stated above, may be deemed to be concerned/ interested financially or otherwise in the said resolution.

Your Directors recommend the Ordinary Resolution set out at Item No. 12 of the Notice for approval of the members.

ITEM NO. 13

The Shareholders vide their Special Resolution dated 29th September, 2021 approved the payment @0.35% of Export Sales of the Company, to Mr. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the Company (DIN: 00463866) w.e.f. 1st October, 2021 for a period of three years.

Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

Accordingly, the Board, on the recommendation of Nomination and Remuneration Committee, Audit Committee has sought approval of the members by way of Special Resolution under Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the said payment in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the financial year 2022-23.

Mr. Jawahar Lal Oswal may be deemed to be concerned or interested in the aforesaid resolution. Mr. Dinesh Oswal (Managing Director), Mr. Kamal Oswal (Director) being relatives of Mr. Jawahar Lal Oswal may also be deemed to be concerned or interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Special Resolution set out at Item No.13 of the Notice for approval of the members.

ITEM NO. 14

The Shareholders at their Meeting held on 29th September, 2021 by way of Special Resolution approved the re-appointment and payment of remuneration to Mr. Dinesh Oswal, Managing Director of the Company (DIN: 00607290) for a period of five years w.e.f. 1st January, 2022. However, Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if- the annual remuneration payable to such executive director exceeds Rs. 5 Crores or 2.5 per cent of the net profits (calculated as per section 198 of the Companies Act, 2013) of the listed entity, whichever is higher.

Mr. Dinesh Oswal who is a Managing Director of the Company belongs to the Promoter/Promoter Group of the Company. Accordingly, the Board, on the

recommendation of Nomination and Remuneration Committee, Audit Committee has sought approval of the members by way of Special Resolution for payment of remuneration to Mr. Dinesh Oswal, Managing Director of the Company, being a promoter of the Company, even if the aggregate annual remuneration payable to him may exceeds the limit as provided under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during his present term i.e. from 1st January, 2022 to 31st December, 2026.

Mr. Dinesh Oswal may be deemed to be concerned or interested in the aforesaid resolution. Further, Mr. Jawahar Lal Oswal (Chairman), Mr. Kamal Oswal (Director) being relatives of Mr. Dinesh Oswal may be deemed to be concerned or interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Special Resolution set out at Item No. 14 of the Notice for approval of the members.

Information pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment/re-appointment:

1. Name	Mr. Jawahar Lal Oswal
Age	78 Years
Qualification	Graduate
Expertise	Having more than 58 years of experience in Textile and Woolen Industry

Listed Companies (other than Nahar Spinning Mills Limited) in which Mr. Jawahar Lal Oswal holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2022:

Directorship of Board:

Sr.No.	NAME OF THE COMPANY	STATUS
1	Nahar Industrial Enterprises Limited	Director
2	Nahar Poly Films Limited	Director
3	Nahar Capital And Financial Services Limited	Director
4	Monte Carlo Fashions Limited	Managing Director

Chairmanship of Board Committees:

Sr.No.	NAME OF THE COMPANY	COMMITTEE
1	Monte Carlo Fashions Limited	Corporate Social Responsibility Committee

Membership of Board Committees: **Nil**

Listed entities from which the Director has resigned in the past three years: Nil

Shareholding in the Company: 90374 Equity Shares of Rs.5/- each.

Disclosure of relationship between Directors inter-se: Mr. Jawahar Lal Oswal is the father of Mr. Kamal Oswal and Mr. Dinesh Oswal. Mr. Kamal Oswal and Mr. Dinesh Oswal are brothers.

2. Name	Mr. Satish Kumar Sharma
Age	69 Years
Qualification	MBA
Expertise	Having more than 40 years of experience in Corporate Affairs and Marketing

Listed Companies (other than Nahar Spinning Mills Limited) in which Mr. Satish Kumar Sharma holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2022:

Directorship of Board:

Sr. No.	NAME OF THE COMPANY	STATUS
1	Nahar Capital and Financial Services limited	Director
2	Nahar Poly Films Limited	Executive Director

Chairmanship of Board Committees: Nil

Membership of Board Committees:

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Capital and Financial Services Ltd.	Stakeholder's Relationship Committee
2	Nahar Capital and Financial Services Ltd.	Audit Committee

Listed entities from which the Director has resigned in the past three years: Nil

Shareholding in the Company: 21425 Equity Shares of Rs.5/- each

Disclosure of relationship between Directors inter-se: Nil

3.	Name	Dr. Yash Paul Sachdeva
	Age	60 Years
	Qualification	MBA, Ph.D
	Expertise	Having more than 30 years of experience in the field of Business Management and Administration

Listed Companies (other than Nahar Spinning Mills Limited) in which Dr. Yash Paul Sachdeva holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2022:

Directorship of Board:

Sr.No.	NAME OF THE COMPANYS	TATUS
1	Nahar Poly Films Limited	Independent Director

Chairmanship of Board Committees: Nil

Membership of Board Committees:

Sr.No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Poly Films Limited	Audit Committee
		Nomination and remuneration committee

Listed entities from which the Director has resigned in the past three years: Nil

Shareholding in the Company: Nil

Disclosure of relationship between Directors inter-se:Nil

4.	Name	Dr. Anchal Kumar Jain
	Age	62 Years
	Qualification	B.Tech, M.Tech & Ph.D
	Expertise	Having more than 37 years experience in Teaching and Administration

Listed Companies (other than Nahar Spinning Mills Limited) in which Dr. Anchal Kumar Jain holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2022:

Directorship of Board: : Nil

Chairmanship of Board Committees : Nil

Membership of Board Committees : Nil

Listed entities from which the Director has resigned in the past three years: Nil

Shareholding in the Company : Nil

Disclosure of relationship between Directors inter-se: Nil

5.	Name	Dr. Vijay Asdhir
	Age	75 Years
	Qualification	M.Com & Ph.D
	Expertise	Having more than 38 years of experience in Teaching and Administration

Listed Companies (other than Nahar Spinning Mills Limited) in which Dr. Vijay Asdhir holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2022:

Directorship of Board:

Sr. No.	NAME OF THE COMPANY	STATUS
1	Nahar Poly Films Limited	Independent Director
2	Nahar Capital And Financial Services Limited	Independent Director

Chairmanship of Board Committees:

Sr. No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Capital And Financial Services Limited	Audit Committee

Membership of Board Committees: Nil

Listed entities from which the Director has resigned in the past three years: Nahar Industrial Enterprises Limited

Shareholding in the Company: Nil

Disclosure of relationship between Directors inter-se: Nil

6.	Name	Dr. Mansiha Gupta
	Age	43 Years
	Qualification	B.Com, MBA(Finance), UGC, Ph.D.
	Expertise	Having more than 22 years of experience in Teaching and Research of Management & Administration

Listed Companies (other than Nahar Spinning Mills Limited) in which Dr. Mansiha Gupta holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2022:

Directorship of Board:

Sr No.	NAME OF THE COMPANY	STATUS
1	Nahar Poly Films Ltd.	Independent Director
2	Nahar Capital and Financial Services Ltd.	Independent Director
3	Monte Carlo Fashions Ltd.	Independent Director
4	Nahar Industrial Enterprises Ltd.	Independent Director
5	Oswal Leasing Limited	Independent Director

Chairmanship of Board Committees: Nil

Sr.No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Poly Films Ltd.	Stakeholder's Relationship Committee

Membership of Board Committees:

Sr.No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Poly Films Ltd.	Nomination & Remuneration Committee
2	Nahar Capital and Financial Services Ltd.	Nomination & Remuneration Committee
3	Monte Carlo Fashions Ltd.	Audit Committee
4	Nahar Industrial Enterprises Ltd.	Audit Committee
5	Oswal Leasing Limited	Audit Committee Stakeholder's Relationship Committee Nomination & Remuneration Committee Share Transfers Committee

Listed entities from which the Director has resigned in the past three years: Nil

Shareholding in the Company: Nil

Disclosure of relationship between Directors inter-se: Nil

BY ORDER OF THE BOARD

DATE: 23RD July, 2022

BRIJ SHARMA
(COMPANY SECRETARY)

REGISTERED OFFICE:
373, Industrial Area-A,
Ludhiana -141003(India)
CIN: L17115PB1980PLC004341
E-mail: secnsm@owmnahar.com

DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the **Forty-second Annual Report** on the affairs of the Company for the financial year ended 31st March, 2022.

FINANCIAL PERFORMANCE

Your Company's Financial Performance during the year is summarized below:

Rs. in Crores

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Total Income (Operational and Other Income)	**3608.37**	2118.83
Less: Total Expenses	**2933.10**	2065.30
Profit before tax and Exceptional Items	**675.26**	53.53
Less: CSR Expenses	**53.91**	0.00
Profit before tax	**674.73**	53.53
Less: Tax expenses (including deferred tax)	**172.54**	12.12
Net Profit from continuing operations	**502.18**	41.41
Other Comprehensive Income	**210.36**	37.92
Profit for the Period	**712.55**	79.33

INDIAN ACCOUNTING STANDARD

The Company has adopted Indian Accounting Standards (Ind AS) and the financial statements have been prepared as per the Indian Accounting standard Rules, 2015, as prescribed under Section (133) of the Companies Act, 2013 read with relevant Rules issued thereunder and the other Accounting Principles generally accepted in India.

EXPANSION CUM MODERNISATION

Before, reviewing the financial performance of the company, we would like to apprise you regarding the implementation of the Company's expansion cum modernisation Project. We are pleased to inform you that the Company's expansion plan of 31200 spindles at village Lalru, S.A.S Nagar is going as per schedule. The building for the project is under construction. The orders for the machineries have already been placed and it is expected that the project will be implemented in full by May/June, 2023. After the completion of the project, Company's spindles capacity will stand increased to 5,73,376 spindles and 1080 rotors. Further, the Company is also adding 8 Vortex machines of 96 positions each at its spinning unit at village Jitwal Kalan, Malerkotla, Distt. Sangrur. The orders for the machineries have already been placed. It is expected that the project will be completed by March, 2023.

Besides, Company's modernization of the spinning and Garment units is also moving ahead as per plan. The company under this plan is replacing the 33 old Ring Frames with the New Ring Frames. Further, new Speed Frames, new Card Machines and new Contamination and control machines are also being installed. The orders for the machineries have already been placed and the modernization is likely to be completed by March, 2023.

OPERATIONAL REVIEW AND STATE OF AFFAIR

We would like to inform you that Company operates in a single segment i.e. “TEXTILE” as such disclosure requirements as per Indian Accounting Standard (Ind AS) 108 issued by the Institute of Chartered Accountants of India, New Delhi, are not applicable.

We are pleased to inform you, despite the challenges of second wave of covid-19 during the first quarter of the year, company has been able to put up a splendid performance showing excellent performance on all parameters. The Company recorded highest ever income from operations of Rs. 3608.37crores as against Rs. 2118.83 crores showing an impressive increase of 70.30% over the previous year. Likewise, the export at Rs. 2175.53 crores has also shown an impressive increase of 89.78% over the previous year. The significant increase in the prices of Yarns not only helped the Company to increase its top line but also substantially improved its Profitability too. The company earned a profit before tax of Rs. 674.73 crores as against profit of Rs. 53.53 crores in the previous year. After providing tax of Rs. 172.54 crores, Company earned a net profit of Rs. 502.18 crores as against profit of Rs. 41.41crores showing an impressive increase of 1112.70% over the previous year.

However, during the current year, Global geo political tensions, Demand recession, sharp surge in cotton fibre prices and steep increase in the oil prices are causing worrisome situation for the Company and this is going to affect Company's exports as well as profitability in the coming period.

TRANSFER TO RESERVES

The Company has transferred Rs. 400 crores to General Reserve and thus Company's Reserves (other equity) stand increased to Rs. 1582.51crores as on 31st March, 2022.

COVID-19 PANDEMIC

We would like to inform you that the COVID-19 situation, continued to be a global challenge, creating disruption across the world. The second wave of Covid-19, in the first three months of financial year

2022 impacted the economic activities. However, the Government efforts to vaccinate its citizens in a big way has resulted reduction in the Covid cases. Your management also arranged Vaccination camps at the factories and offices of the company, so that each and every employee/staff gets vaccinated so, that Company can operate its business after taking care of the safety and the well-being of its workers/ employees.

The Company has also made assessment of its liquidity position and the recoverability and carrying value of its assets. The Company has considered internal and external sources of information for making said assessment. On the basis of said assessment, the Company expects to recover the carrying amount of these assets and no material adjustments are required in the financial statements. Given the uncertainties associated with nature, condition and duration of COVID-19, the Company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the company.

DIVIDEND AND DIVIDEND DISTRIBUTION POLICY (DDP)

As you are aware that your Board after having regard to the excellent performance in the first half of the year, declared an interim dividend of Rs. 1.50/- per equity shares of Rs. 5/- each (i.e. @ 30%). The Company fixed 17th November, 2021 as the Record Date for determining the entitlement of the Members of the Company for the purpose of Interim Dividend. The company has already paid interim dividend of Rs. 1.50/- per equity shares of Rs. 5/- each to shareholders in November, 2021.

The Board after having regard to the excellent performance for the year ended 31st March, 2022 has recommended a Final Dividend of Rs. 2.00/- per equity shares of Rs. 5/- each (i.e. @ 40%) out of the profits of the company.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid out of the Profits of the Company for the year under reference, to all those shareholders whose names shall appear in the Register of Members on 12th August, 2022 or Register of beneficial Owners, maintained by the Depositories as at the close of 12th August, 2022. Further, as per the Finance Act, 2020 dividend income is taxable in the hands of members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act, 1961.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, top 1000 listed companies determined on the basis of Market Capitalization as at the end of the immediate financial year are required to formulate a dividend distribution policy. The Company's ranking was 730 on the basis of the market capitalization as at the end of the immediate previous financial year at NSE. Accordingly, company formulated a Dividend Distribution Policy and same was approved and adopted by the Board. The policy set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy is available on the Company's website at the link: http://www.owmnahar.com/spinning/pdf/dividend_distribution.pdf

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions Section 124(5) of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all dividend remaining unpaid or unclaimed for period of seven consecutive years is required to be transferred to the Investor Education Protection Fund (IEPF) established by the Central Government.

Accordingly, the Company has transferred an amount of Rs.1110678/- (Rupees Eleven Lakhs Ten Thousand Six Hundred and Seventy Eight only) being the amount of unclaimed dividend for the year 2013-14 to the Investor Education and Protection Fund in November, 2021. The shareholders whose dividends have been transferred to IEPF Authority can claim their dividend from the Authority. Further, unpaid or unclaimed dividend for the year 2014-15 will have to be transferred to the Investor Education and Protection Fund in November, 2022.The Company has already sent emails / notices in the month of June, 2022 to the members informing them to claim the Unclaimed Dividend before such transfer of dividend to the IEPF Authority.

Besides, as per the provisions of Section 124 (6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the equity shares on which dividend remains unpaid or unclaimed by the shareholders for seven consecutive years or more is required to be transferred to the Demat Account of the IEPF Authority. Accordingly in compliance of the

provisions of the Act, 42472 (Forty two thousand four hundred seventy two only) equity shares of Rs. 5/- each were transferred to the DP/Client ID IN300708/10656671 opened in the name of the Investor Education and Protection Fund Authority. The details of the shareholders whose shares are proposed to be transferred to the Demat account of IEPF Authority in November, 2022 is available on company's website http://www.owmnahar.com/spinning/transfer-of-equity-shares-to-IEPF.php and the same can be accessed through the link: www.iepf.gov.in. The Company has already sent notices to shareholders to claim the dividend if any.

We are pleased to inform that Shareholders can reclaim their subject shares/dividend by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. The Shareholders can also view the procedure at www.iepf.gov.in.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted their declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There have been no changes in the circumstances affecting their status as Independent Directors of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **Appointment / Retirement of Director**

  Dr. Suresh Kumar Singla (DIN: 00403423) and Dr. Amrik Singh Sohi (DIN: 03575022) who are working as an Independent Directors, will complete second term of their appointment on September 25, 2022. Thus, they will cease to be Independent Directors of the Company with effect from September 25, 2022. The Board wish to place on record its appreciation for their valuable services and guidance during their tenure as an Independent Directors of the Company.

  The Company has received a notice in writing from members under Section 160 of Companies Act, 2013 proposing the candidature of Dr. Yash Paul Sachdeva (DIN:02012337)and Dr. Anchal Kumar Jain (DIN: 09546925), are to be appointed as Independent Directors of the Company for 5(five) consecutive years for a term upto August 23, 2027, subject to the approval of the shareholders at the ensuring Annual General Meeting. The Nomination and Remuneration Committee after verifying their profile and suitability has recommended their appointment to the Board. The Board having regard to their skills, experience and knowledge has proposed their appointment, as Independent Directors of the Company. The resolutions seeking shareholders approval for their appointment alongwith the other required detail form part of the notice of the ensuing Annual General Meeting.

- **Re-appointment of Director**

  Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and Article 117 of Article of Association of the Company, Sh. Jawahar Lal Oswal (DIN: 00463866) and Mr. Satish Kumar, (DIN:00402712) will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The resolutions seeking shareholders approval for their re-appointment alongwith the other required detail form part of the notice. The Board recommend their re-appointment to the members of the Company at the ensuing Annual General Meeting.

  Pursuant to the provisions of Section 149 of the Companies Act, 2013 and rule made thereunder and applicable Regulations of SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015,the Board on the recommendation of Nomination and Remuneration Committee and on the basis of performance evaluation of Directors has decided to re-appoint Dr. Vijay Asdhir (DIN: 006671174)and Dr. Manisha Gupta (DIN: 06910242), as Independent Directors for a second term of 5(five) years with the effect from September 26, 2022. The necessary resolutions seeking shareholders approval for their re-appointment alongwith the other required detail form part of the notice of the ensuing Annual General Meeting.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Dinesh Oswal Managing Director, Mr. Anil Garg, Chief Financial Officer and Mr. Brij Sharma, Company Secretary are the Key Managerial Personnel (hereinafter referred as KMP) of the Company and there has been no change in the KMP since the last fiscal year.

BOARD EVALUATION

The provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, mandate that a formal annual performance evaluation is to be made by Board of its own performance and that of its Committee and individual Directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Director shall be done by Directors excluding the Director being evaluated.

The Board carried out a formal annual performance evaluation as per the criteria/framework laid down by the Nomination and Remuneration Committee of the Company and adopted by the Board. The evaluation was carried out through a structured evaluation process to evaluate the performance of individual directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The outcome of the Board Evaluation for the Fiscal 2022 was discussed by the Nomination and remuneration Committee in its meeting held on 25th May, 2022 and the Board in its meeting held on 25th May, 2022.

The Board was satisfied with the evaluation process and the approved the evaluation results thereof.

CORPORATE POLICIES:

As per SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the listed Companies are required to formulate certain policies. As a good corporate entity, the Company has already formulated several corporate governance policies and the same are available on the Company's website i.e. www.owmnahar.com. The said policies are reviewed periodically by the Board to make them in compliance with the new Regulations/requirements.

The Company has adopted certain policies, the details of which are given hereunder:

Name of the Policy	Brief Description
Appointment & Remuneration Policy	Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors has approved and adopted the Policy for Appointment and Remuneration of Directors, Key Managerial Personnel and other employees as recommended by Nomination and Remuneration Committee. The policy formulates the principle and criteria for determining qualification, competence, positive attributes, integrity and independence etc. for Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) and employees of the Company. The Policy also laid down the criteria for determining the remuneration of directors, key manager personnel and other employees.
Corporate Social Responsibility policy	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Rules, 2014, as amended, the CSR Committee formulated the CSR Policy which was adopted by the Board. The CSR policy outlines the various programmes/ projects/Activities to be undertaken by the Company as laid down in schedule VII of the Companies Act, 2013 relating to promoting education, healthcare, environment, hunger, poverty etc.
Whistle Blower Policy	Pursuant to the provisions of Section 177 of the Companies Act, 2013 Company has formulated and adopted Vigil Mechanism/Whistle Blower Policy for its Directors and employees. The aim of the policy is to provide a channel to the Directors and employees to report their genuine concerns about unethical behavior, Actual or suspected fraud or violation of the code of conduct.
Policy on Materiality of Related Parties Transactions and Dealing with Related Party Transactions	Pursuant to the requirements of regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board has approved a policy on Materiality of Related Parties Transactions and Dealing with Related Party Transactions. The Policy regulates the transaction between the Company and its Group Companies and related parties. The policy has been uploaded on Company's website and can be accessed at http://www.owmnahar.com/ spinning/ pdf/RPT-NAHAR-SPINNING. pdf
Insider Trading Policy	Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Board has adopted the following Codes to provide

framework for dealing in the Securities of the Company by the Insiders:

i. Code of practices and procedures for fair disclosure of unpublished price sensitive information

ii. Code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons

The Codes help to regulate trading in securities by the designated persons and immediate relatives of designated persons. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Policy for Preservation of documents

Board of directors in their meeting held on 10th February, 2016 has approved and adopted the policy for Preservation of documents. The policy segregates the documents to be preserved permanently and documents to be preserved at least for a period of eight years a

	Regulations 2021,the Board of Directors in their Meeting held on 31stMay, 2021 has approved and adopted the Dividend Distribution Policy. The policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy has been uploaded on Company's website and can be accessed athttp://www.owmnahar.com/spinning/pdf/dividend_distribution.pdf
Risk Management Policy	As per the provisions of Regulation 21 of SEBI (Listing Obligation Disclosure Requirements) (Second Amendment) Regulations, 2015, the Company falls under the top 1000 list of listed entities determined on the basis of market capitalization as at the end of immediate financial year. The Company's ranking is 730 on the basis of the market capitalization as on 31st March, 2022 at NSE. Accordingly, in compliance of the said LODR Regulations, company has constituted a Risk Management Committee to frame, implement and monitor the Risk Management plans for the company in their meeting held on 31st May, 2021.

APPOINTMENT AND REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for Appointment and Remuneration of Directors, Senior Management and other employees as provided under Section 178(3) of the Companies Act, 2013. The objective of the Policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of Governance and Management. The present Board consists of ten members Sh. Jawahar Lal Oswal is non-executive Chairman. Sh. Dinesh Oswal is a Managing Director. There are four Non Executive Directors and five are Independent Directors out of which one Director namely; Dr. (Mrs.) Manisha Gupta is Women Director on the Board.

Dr. S.K. Singla (DIN: 00403423) and Dr. A.S. Sohi (DIN: 03575022), who are working as an Independent Directors, will complete second term of their appointment on September 25, 2022. Thus, they will cease to be Independent Directors of the Company

with the effect from September 25, 2022.

Dr. Yash Paul Sachdeva (DIN: 02012337) and Dr. Anchal Kumar Jain (DIN: 09546925), are to be appointed as Independent Directors of the Company for 5(five) consecutive years for a term upto August 23, 2027, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Besides, Dr. Vijay Asdhir (DIN: 06671174) and Dr. Manisha Gupta (DIN: 06910242), first term of appointment of 5(five) years as independent directors shall be expiring on September 25, 2022. Keeping in view their performance, skill, education and experience, Board on the recommendation of the Nomination and Remuneration Committee has decided to re-appoint them as Independent Directors of the Company for a second term of 5(five) years i.e. September 26, 2022 to September 25, 2027. The special resolutions for their re-appointment have been proposed to the shareholders in the notice of the ensuing Annual General Meeting of the Company.

The Company's Policy of Appointment and Remuneration includes criteria for determining Qualification, Positive Attributes, Independence of Directors and other matters, as required under sub Section 3 of Section 178 of the Companies Act, 2013. The policy also laid down the criteria for determining the remuneration of directors, key managerial personnel and other employees. The Appointment and Remuneration Policy of the Company is available on the Company's website and can be accessed at http://owmnahar.com/spinning/pdf/NSMLAPPOINTMENTANDREMUNERATIONPOLICY.pdf.There has been no change in the Policy since the last fiscal year. We affirm the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors held their meeting on 8th November, 2021 without the attendance of Non Independent Directors and members of the management. All Independent Directors were present at the meeting.They:

1. Reviewed the performance of non-Independent directors and the Board as a whole.
2. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors.
3. Assessed the quality and timeliness of the flow of information between the Company's management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARISATION PROGRAMS FOR BOARD MEMBERS

At the time of appointing a Director, the Company issues a formal letter of appointment which inter alia, explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. All Independent Directors are provided with all policies/Guidelines as framed by the Company under various statutes and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to familiarize with Company's procedure and practices. Further, to update them on the regular basis, the Company provides copies of all amendments in Corporate Laws, Corporate Governance Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations. The details of the Company's policy on Familiarization Programs conducted during the year under review for Independent Directors are posted on the Company's website and can be assessed at: http://www.owmnahar.com/spinning/pdf/familiarization-2022.pdf

NO. OF BOARD MEETINGS

During the year under review, the Board of Directors met four times i.e. 31st May, 2021, 2nd August, 2021, 9th November, 2021 and 3rd February, 2022 with a predefined agenda circulated well in advance. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Your Company is engaged in the Manufacture & Exports of yarns and knitted garments. Likewise some Group Companies (which are public limited Companies) are also engaged in the Textile Industry. Because of nature of Industry, sometimes sale/purchase/fabrication jobs etc. transactions takes place between the Group Companies, in the ordinary course of business on Arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc which may have potential conflict of interest with

the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with the Rule 8 of the Companies (Accounts) Rules, 2014. However, the transactions entered into with the Group Companies, during the year under review, has been given in Notes to the financial statements in accordance with the Accounting Standards.

The Company has not entered into any contract or arrangement with the related parties as referred in Section 188(1) of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2022. Thus the requirement for disclosure of particulars of contracts or arrangement with related parties referred to in Section 188(1) is not applicable. However, as per Company's policy, all the Group Companies transactions regarding sales/purchase etc. are placed before the Audit Committee as well as the Board, for their information and approval.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

SHARE CAPITAL

The Paid up equity share capital of the Company as on 31st March, 2022 is Rs. 1803.27 Lakhs. During the year under review, Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor granted any stock options or sweat equity under any scheme.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not provided any Guarantee under Section 186 of the Companies Act 2013. However, the details of Loans and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY(CSR)

As reported in our earlier reports, Company adopted CSR Policy and decided to undertake CSR Activity in collaboration with Group Companies under one umbrella through Oswal Foundation which is a Registered Society formed in 2006, having its charitable objects in various fields. The details of the CSR policy are available on the Company's website i.e. www.owmnahar.com.

During the year under review, to meet its obligation of CSR under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Company was required to spend an amount of Rs. 53.91 Lakhs (being the 2% of the average net profits made during the three immediate preceding financial years on CSR activities). Accordingly, Company has contributed an amount of Rs. 53.91 Lakhs to Oswal Foundation for undertaking CSR activities as approved by CSR Committee.

The disclosure in respect of the existing CSR Activities pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014, is annexed hereto as “Annexure I” and forms part of this Report.

AUDIT COMMITTEE

As required under Section 177 of the Companies Act, 2013, the Board of Directors have already constituted Audit Committee consisting of three Non-Executive Directors namely; Dr. Vijay Asdhir as Chairman, Sh. Dinesh Gogna and Dr. S.K. Singla as members. The Board in their meeting held on 25th May, 2022, approved the inclusion of Dr. Roshan Lal Behl, an Independent Director of the Company, as member of the Audit Committee w.e.f. 1st April, 2022. Mr. Brij Sharma is the Secretary of the Committee. The Committee held four meeting during the year. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, the Company

established a Vigil Mechanism process as an extension of Company's Code of Conduct whereby any employee, directors, customers, vendors etc., can report the genuine concerns or grievances to the members of the Audit Committee about unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct so that appropriate action can be taken to safeguard the interest of the Company. The Mechanism also provides for adequate safeguards against victimization of persons who uses such mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website. The Company has a dedicated e-mail address i.e. whistleblowernsm@owmnahar.com for reporting the genuine concerns.

The Audit Committee regularly reviews the working of the Mechanism. No complaint was received during the year under review.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATES COMPANY

The Company does not have any subsidiaries, joint venture and Associates Company during the year under review.

CREDIT RATING

We are pleased to inform that after taking into account the improved excellent financial performance and cash flow position, the Credit Rating Information Services of India Ltd. (CRISIL) vide its letter no. RL/NAHSPIN/276336/BLR/0921/18115 dated September 24, 2022 has intimated that Company's rating outlook on the long term bank facilities has been upgraded to 'CRISIL A/Stable' from 'CRISIL A-/Stable' and on the short-term bank facility to 'CRISIL A1' from 'CRISIL A2+'.

GREEN INITIATIVE

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. Further, as per the provisions of Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company may send financial statements and other documents by electronic mode to its members. Your Company has decided to join the MCA in its environmental friendly initiative.

Accordingly, henceforth Company propose to send documents such as notices of General Meetings, Annual Report and other communications to its shareholders via electronic mode to the registered E-mail addresses of the shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest E-mail addresses with their depository Participant (D.P.) with whom they are having Demat Account or send the same to the Company via E-mail at:- secnsm@owmnahar.com or gredressalnsml@owmnahar.com. We solicity your valuable co-operation and support in our endeavor to contribute our bit to the Environment.

LISTING OF SECURITIES

The securities of the Company are presently listed on the following Stock Exchanges:

i. The BSE Ltd., 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.

ii. The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai.

The Company has paid listing fee to both the Stock Exchanges for the financial year 2022-23

DEMATERIALISATION OF SECURITIES

Your Company has established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) to facilitate the holding and trading of securities in electronic form. As on 31st March, 2022, 97.97% of the total Equity Share Capital of the Company has been dematerialized.

Pursuant to Regulation 40 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with the Depository. Hence, all members, who are holding equity shares in physical form, are requested to go in for dematerialization of securities at the earliest.

Further, the Company has appointed M/s Alankit Assignments Ltd., as Registrar for Share Transfer and Electronic connectivity. Accordingly all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer/transmission, demat/remat, change of address etc. to our registrar at below mentioned address:

M/s Alankit Assignments Limit
(Unit: Nahar Spinning Mills Limited)
Alankit House, 4E/2, Jhandewalan Extension
New Delhi – 110 055
Telephone No. : (011) 42541234
Fax No. : (011) 23552001
E-mail address: rta@alankit.com

In case any query/complaint remains unresolved with our Registrar please write to Company Secretary at the Registered Office of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors would like to assure the Members that the financial statements for the year under review, confirm in their entirely to the requirements of Companies Act, 2013.Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge & ability, confirm that:

i. In preparation of the Annual Accounts, the applicable Accounting Standards had been followed alongwith proper explanations relating to material departures;

ii. They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

iii. They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. They had prepared the Annual Accounts on a going concern basis.

v. That the directors, in the case of a listed Company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS & AUDITOR'S INDEPENDENT REPORT

STATUTORY AUDITORS

The Shareholders approved the appointment of M/s YAPL & Co, Chartered Accountants, Firm having Registration no.(017800N) and office at (102, Kismat Complex, G.T. Road, Miller Ganj, Ludhiana-141003), as Statutory Auditors of the Company on September 26, 2017 to hold office for 5(five)years. Their period of office as Statutory Auditors of the Company will expire at the ensuing Annual General Meeting to be held on 24th August, 2022.The Board on the recommendation of the Audit Committee has proposed the appointment of M/s. Gupta & Vigg Co.,(Registration No. 001393N) having their office at (101, Kismat Complex, G.T. Road, Miller Ganj, Ludhiana-141003),as Statutory Auditors of the Company for a period of 5(Five) years to hold the office from the conclusion of ensuring Annual General Meeting till the conclusion of 47thAnnual General Meeting to be held in the year 2027.

AUDIT REPORT

The Statutory Auditors have submitted Audit Report on the Financial Statements of the Company for the Accounting year ended 31st March, 2022.There were no qualifications, reservations, adverse remarks or disclaimers in the Report. The observations and comments given by Auditors in their Report read together with the Notes to the Accounts are self explanatory and require no comments.

No frauds were reported by the Auditors under Section143(12) of the Companies Act, 2013.

COST AUDITORS

We would like to inform you that the Ministry of Corporate Affairs vide Notification dated 31st December, 2014 amended Companies (Cost Records

remuneration of the Cost Auditors has been proposed in the notice of the ensuing Annual General Meeting for your approval.

SECRETARIAL AUDITOR

The Board, pursuant to the provision of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. P.S. Bathla & Associates, Practicing Company Secretaries, having Certificate of Practice No. 2585 as Secretarial Auditor to conduct Secretarial Audit for the financial year 2022-23.

M/s. P.S. Bathla & Associates, Practicing Company Secretaries have carried out the Secretarial Audit for the financial year ended March 31, 2022 and their Secretarial Audit Report in Form No. MR-3 is annexed hereto as Annexure II and from part of this Report.

The Secretarial Audit Report does not contain any qualification, reservations or adverse remarks and requires no comments.

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards (SS1 &SS2) relating to the meetings of Board of Directors and General meetings respectively issued by the Institute of Company Secretaries of India.

BUSINESS RISK MANAGEMENT

Your Board has formulated a Risk Management Policy. The Policy aims to identify, evaluate manage and monitor all types of risks associated with the business of the Company. The Board as well as Audit Committee regularly overseas the risk management process in the Company, as required under 134(3)(n) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Your Company is operating in Textile segment and has identified certain risks which may affect the performance of the Company. These are Operational risks such as fluctuation in cotton prices, fluctuation in foreign exchange rates, Labour problems and Regulatory risks such as change in Government Policy with respect to Textile Industry etc. The Company's Risk Management Policy aims to suggest the steps to be taken to control and mitigate the risk associated with the Company's Textile Business. We are of opinion that none of identified risk is such that which may threaten the existence of the Company.

In compliance with the provisions of Regulation 21 of SEBI (LODR) (Second Amendment) Regulations, 2021 the company has formed a Risk Management Committee to frame, implement and monitor the risk management plans for the Company. The Risk Management Committee comprises of three Directors under the chairmanship of Mr. Dinesh Oswal, Managing Director of the Company. Dr. S.K. Singla and Dr. Roshan Lal Behl are other two members of the Committee. The Committee is responsible for monitoring and reviewing the risk management policies and ensuring its effectiveness. The Risk Management Committee met two times during the year under review i.e. on May 31, 2021 and November 15, 2021.

INTERNAL FINANCIAL CONTROL

The Company is maintaining an efficient and effective system of Internal Financial Control for facilitation of speedy and accurate compilations of financial statements. The Company's Internal Financial Control System is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliances with procedures, laws and regulations. The Company's Internal Control System commensurate with the nature of its business and size of its operations. In order to further strength the Internal Control System and to automate the various processes of the business, Company is making use of SAP S4 HANA application, which is based on SAP HANA database. It keeps all the data in memory which results in data processing that is magnitude faster than that of disk based system, allowing for advanced, real time analytics.

The Company has also appointed M/S Piyush Singla & Associates, Chartered Accountants as Internal Auditors of the Company. The company is also having internal audit department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year, Company's Internal Controls were tested and no reportable weakness in the system was observed.

Apart from the above, an Audit Committee consisting of three Non Executive Directors has been constituted. The Board in their meeting held on 25th May, 2022, approved the inclusion of Dr. Roshan Lal Behl, an Independent Director of the Company, as member of the Audit Committee w.e.f. 1st April, 2022. All the significant audit observations and follow up

Actions thereon are taken care by the Audit Committee. The Audit Committee also oversees and reviews the adequacy and effectiveness of Internal Controls in the company. The Audit Committee met four times during the financial year under review. The company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any Public Deposit within the meaning of Section 73, of the Companies Act, 2013 and the Rules made there under. There is no outstanding/unclaimed deposit from the public. However, the information as required under Rule 8 of the Companies (Accounts) Rules, 2014 is given hereunder:-

i) Deposits accepted during the year : Nil

ii) Deposits remained unpaid or unclaimed as at the end of the year : Nil

iii) Default in repayment of deposits and deposits which are not in compliance with the Requirements of Chapter V of the Companies Act, 2013 : N.A.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment for women at workplace and has adopted a policy against sexual harassment in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The Company has complied with the provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2021-22, the Company has not received any complaints on sexual harassment and hence no compliant remains pending as of 31st March, 2022.

ANNUAL RETURN

The Annual Return of the Company, pursuant to the provisions of Section 92(3) read with the Section 134(3)(a)of the Companies Act, 2013 with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2021-22, in the Form MGT-7 has been uploaded on Company's website at http://owmnahar.com/spinning/pdf/Annual-Return-2021-2022.pdf

STATEMENT UNDER SECTION 197 OF THE COMPANIES ACT, 2013

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as “Annexure III” and form part of this report.

In terms of Section 197(14) of the Companies Act, 2013, the Company does not have any Holding Company. However, the details regarding remuneration received by Mr. Dinesh Oswal, Managing Director and Jawahar Lal Oswal, Chairman are also given ANNEXURE III annexed hereto and form part of this report.

Pursuant to the provisions of Section 197 (1) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017 read with schedule V and other applicable provisions, the Company got shareholders approval vide Special Resolution dated 29th September, 2021 for the payment of remuneration as mentioned in the resolution for five years from 1st January, 2022 upto 31st December, 2026 to Sh. Dinesh Oswal, Managing Director of the Company. A remuneration of Rs. 23,00,94,805/- (including commission and perks) (Rupees Twenty Three Crores Ninety Four Thousand Eight Hundred Five Only) has been paid to Mr. Dinesh Oswal, Managing Director of the Company for financial year 2021-22. Mr. Dinesh Oswal is 57 years of age. He is a Commerce Graduate and has business experience of more than 38 years in textile industry and financial expertise. He is employed on contractual basis for five years w.e.f 1st January, 2022 to 31st December, 2026. Before joining the Company, he was employed with M/s. Oswal Woollen Mills Ltd. as Commercial Manager. His shareholding in the Company is 123766 equity shares of Rs. 5/- each. He is related to Mr. Jawahar Lal Oswal, Chairman, Mr. Kamal Oswal, Director, Mrs. Ritu Oswal, Export Advisor and Ms. Tanvi Oswal, President of the Company.

Mr. Jawahar Lal Oswal, Chairman/Director of the Company has been paid sitting fee and payment @ 0.35% of company’s exports sale as per the approval of the shareholders vide their special resolution dated September, 2021. Mr. Jawahar Lal Oswal is 78 years of age. He is a Commerce Graduate and has business

experience of more than 58 years in Textile and Woollen Industry. He is employed on contractual basis for three years w.e.f 1st October, 2021. Before joining the Company, he was employed with M/s. Oswal Woollen Mills Ltd. as Managing Director. His shareholding in the Company is 90374 equity shares of Rs. 5/- each. He is related to Mr. Dinesh Oswal, Managing Director, Mr. Kamal Oswal, Director, Mrs. Ritu Oswal, Export Advisor and Ms. Tanvi Oswal, Vice President of the Company.

No other employee was in receipt of remuneration exceeding the limits as provided under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The detailed information as required under Section 134(3) of the Companies Act, 2013 read with Sub Rule 3 of the Rule 8 Companies (Accounts) Rules, 2014, is enclosed as per Annexure-IV and forms part of this report.

REPORT ON THE CORPORATE GOVERNANCE

Your Company continues to follow the principles of good Corporate Governance. Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. The Company has already constituted several committees of directors to assist the Board in good Corporate Governance. The Corporate Governance Report alongwith the Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in part C of Schedule VI of the SEBI (Listing Obligation and disclosure Requirements) Regulations, 2015 annexed hereto as Annexure-V and form part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is enclosed as per Annexure-VI and form part of this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

We are pleased to inform you that the Company has been ranked 730 by the National Stock Exchange, Mumbai on the basis of Market Capitalization, calculated on the basis of price of equity share as on March 31, 2022. As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires Top 1000 listed entities based on market capitalization shall submit a Business Responsibility Report (herein after referred to as BSR) describing the initiative taken by the Company from an environmental, social and government prespective, in the format as specified by the Board from time to time. The BSR shall be discontinued after the financial year 2021-22 and thereafter, with effect from financial year 2022-23, Top 1000 listed entities based on market capitalization are required to submit Business Responsibility and Sustainability Report (herein after referred as BRSR) in the format prescribed by the SEBI (Security Exchange Board of India). However, the top 1000 listed entities can submit the said report voluntarily in place of mandatory Business Responsibility Report.

The company has voluntarily provided BRSR in lieu of BSR which indicates the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct.' The Business Responsibility and Sustainability Report is attached with the Director's Report as Annexure VII.

HUMAN RESOURCE/INDUSTRIAL RELATIONS

The Company recognizes human resource as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The Company is of firm belief that the Human Resources are the driving force that propels a Company towards progress and success. The Company has a team of able and experienced professionals to look after the affairs of the Company. The Company's employees at all levels have extended their whole hearted co-operation for the excellent performance of the Company.

ACKNOWLEDGEMENT

The Board of Directors of the Company wish to place on record their thanks and appreciation to all workers, staff members and executives for their contribution to the operations of the Company. The Directors are thankful to the Bankers, Financial Institutions for their continued support to the Company. The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA
DATED: 23RD JULY, 2022

JAWAHAR LAL OSWAL
(CHAIRMAN)
DIN: 00463866

(b) Details of CSR amount spent against ongoing projects for the financial year :

To meet its Corporate Social Responsibility obligation (herein after referred to as "CSR") the Company joined hands with group companies under one umbrella for undertaking the CSR Projects through Oswal Foundation. The Company on the recommendation of CSR committee and the Board has approved the Health Care Project under the CSR Activities. Accordingly, the Company has contributed Rs. 53.91 Lakhs to the Foundation which will be spent for undertaking "Health Care Project of Linear Accelerator" as prescribed under Schedule VII of the Companies Act. 2013 and approved by the consortium at approximate cost of Rs. 4 crores, at Mohan Dai Oswal Cancer Hospital and Research Foundation, Ludhiana.

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes /No)	Location of the project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation –Direct (Yes/No	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Health Care Project: At Mohan Dai Oswal Cancer Treatment & Research Foundation, Ludhiana	(i)	Yes	Punjab	Ludhiana	-	53.91 Lakhs	53.91 Lakhs	Nil	No	Oswal Foundation	CSR00000145

(c) Details of CSR amount spent against other than ongoing projects for the financial year – Nil

(d) Amount spent in Administrative Overheads – Nil

(e) Amount spent on Impact Assessment (if applicable) – NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – 53.91 Lakhs

(g) Excess amount for set off, if any –

Sr. No.	Particular Amount (in Rs.)	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	Rs. 53.91
(ii)	Total amount spent for the Financial Year	Rs. 53.91
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years – Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) – Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – No capital asset was created or acquired during the financial year 2021-22 through CSR spend.

(Asset-wise details – Not applicable)

(a) Date of creation or acquisition of the capital asset(s). – NA

(b) Amount of CSR spent for creation or acquisition of capital asset. – NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – NA

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5)of the Act: Not Applicable

Sd/-
(DINESH OSWAL)
Managing Director/ Chairman of CSR Committee
DIN: 00607290

PLACE: LUDHIANA
DATE: 23rd JULY, 2022

NAHAR SPINNING MILLS LIMITED

2. I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices are given to all directors to schedule the Board Meetings and agenda, detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of Board of Directors and Committee of the Board, as case may be.

I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For P S Bathla & Associates

Place: Ludhiana
Date: 23RD July, 2022
UDIN: F004391D000654711

Parminder Singh Bathla
Company Secretary
FCS No. 4391
C.P No. 2585
Peer Review No. 1306/2021
SCO-6, Feroze Gandhi Market
Ludhiana

Note: This Report is to be read with my Letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To

The Members,
Nahar Spinning Mills Ltd.
373 Industrial Area, Phase A,
Ludhiana Punjab- 141003

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P S Bathla & Associates

Place: Ludhiana
Date: 23RD July, 2022

Parminder Singh Bathla
Company Secretary
FCS No. 4391
C.P No. 2585
Peer Review No. 1306/2021
SCO-6, Feroze Gandhi Market
Ludhiana

Annexure III

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for financial year 2021-22	% increase in Remuneration in the Financial Y ear 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the Performance of the Company
1	Sh. J.L. Oswal Non-Executive Director	*47922394 (incl. commission and sitting fee)	0.33	346.51	
2	Sh. Dinesh Oswal Managing Director	**230094805 (including commission and perks)	32.83	1663.74	PBT increased by 1160.35 % and PAT increased by 1112.58% in FY 2021-22
3	Sh. Kamal Oswal Non-Executive Director	40000	Nil	0.29	
4	Sh. Dinesh Gogna Non-Executive Director	40000	Nil	0.29	
5	Sh. S.K. Sharma Non-Executive Director	40000	Nil	0.29	
6	Dr. S.K. Singla Non-Executive Director	40000	Nil	0.29	
7	Dr. A.S. Sohi Non-Executive Director	30000	0.50	0.22	
8	Dr. Manisha Gupta Non-Executive Director	40000	Nil	0.29	
9	Dr. Vijay Asdhir Non-Executive Director	40000	Nil	0.29	
10	Dr. Roshan Lal Behl Non-Executive Director	40000	1.00	0.29	
11	Sh. Anil Garg Chief Financial Officer	2883920	25.37	20.85	PBT increased by 1160.35 % and PAT increased by 1112.58 % in FY 2021-22
12	Mr. Brij Sharma Company Secretary	2369768	25.98	17.13	

Note: * It includes the sitting fee and commission as per the approval of the shareholders vide their special resolution dated September, 2021.

** Pursuant to the provisions of Section 197 (1) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017 read with schedule V and other applicable provisions, the Company got approval of the shareholders vide Special Resolution dated 29th September 2021 for the payment of remuneration as mentioned in the resolution for five years from 1st January, 2022 upto 31st December, 2026. The Commission amount of Rs. 10.83 crores provided in the books of accounts for the year ended 31st March, 2022.

1. The median remuneration of employees of the Company during the financial year was Rs. 1.38 Lakhs (approx.)
2. In the financial year, there was an increase of 51.83% in the median remuneration of employees.
3. There were 10133 permanent employees on the rolls of Company as on March 31, 2022.
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 32.74%. The increase in the managerial remuneration (Managing Director) for the same financial year was 32.83%.
5. It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy of the Company for directors, Key Managerial Personnel and other Employees.

Details of top ten employees of the Company in terms of salary drawn as required under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name & Designation	Remuneration received	Nature of employment (contractual or otherwise)	Qualification & experience	Date of commencement of employment	Age	Last employment held	% age of equity shares held	Whether relative of any director or manager
1.	Sh. Dinesh Oswal (M.D.)	112500000	Contractual	B.Com, 36 years	01.01.1987	57	Oswal Woollen Mills Ltd., Ldh	0.34	Yes 1. S/o Sh. J.L. Oswal 2. B/o Sh. Kamal Oswal
2	Sh. T. Chandar Mohan (Chief Executive)	2754621	Regular	D.T.T. 54 Years	12.06.1996	75	Malwa Cotton Spinning Mills Ltd., Ldh	NIL	No
3	Mrs. Ritu Oswal (Advisor)	3000000	Regular	BA 6 Years	01.02.2013	50	N.A.	0.00	Yes 1. W/o Sh. Dinesh Oswal (M.D.)
4	Sh. S. D. Awasthi (G.M.)	3096885	Regular	B. Tech. 41 Years	14.05.1992	66	Vardhman Polytex Ltd., Ldh	NIL	No
5	Sh. Mukesh Rustogi (G.M.)	2956426	Regular	B. Tech. 37 Years	01.12.2015	59	Oswal Cotton Spinning Mills (Doraha, Ldh)	NIL	No
6	Sh. P.K. Vashishth (G.M. Finance)	2891184	Regular	FCA 34 Years	06.09.1993	58	Hero Cycles Ltd., Ldh	NIL	No
7	Sh. Anil Kumar Garg (C.F.O)	2883920	Regular	FCA 39 Years	02.01.1993	64	Nahar Fiber Ltd., Jitwal Kalan, Distt. Sangrur	0.01	No
8	Sh. Anil Anand (G.M. Export)	2825016	Regular	Post Graduate 36 Years	11.01.1995	59	Malwa Cotton Spinning Mills Ltd., Ldh	NIL	No
9	Sh. Aswani Kumar Aggarwal (G.M. Export)	2832868	Regular	C.A	01.06.1986	59	Vardhman SPG & GEN Mills Ltd.,		No
10	Ms. Tanvi Oswal (DY Executive)	5270008	Regular	BSC (Management) 3 Years	01.11.2018	25	Nahar Spinning Mills Ltd.,Ldh	0.00	D/o Sh. Dinesh Oswal (M.D.)

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA
DATED: 23rd JULY, 2022

JAWAHAR LAL OSWAL
(Chairman)
DIN:00463866

Annexure IV

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

a. Measures taken for conservation of energy

Energy conservation is an ongoing process in our organization. The company carries out continuous monitoring, planning, development and modification in our all units to conserve energy. The company always select latest art of technology, machinery and equipment having low energy consumption. The company has also taken following measures for energy conservation:

i. The Company has installed 2800KW roof top solar plant at its spinning unit at Mandideep in April 2022. Thus the total roof top solar plant Capacity stand increased to 5554KW in the Company's spinning units which are generating clean and green energy and also resulting in saving of electricity cost.

ii. The Company has replaced Spinning machineries of Low efficiency, low productivity, old generation machines with High Efficiency, High Productive State of Art machines which has helped the Company to save on electricity cost.

iii. The Company upgraded its Humidification Plant with High efficiency Motor, pumps and Fans for better performance and reduced energy consumption.

iv. The Company is continuously monitoring Compressed air Consumption by redeeming Leakage of Machinery. Thus, the company has been able to reduce compressed air per spindle drastically.

v. The Company is getting Unity Power Factor with counter balancing by APFC Panel and getting rebate in Power Bill as well as reducing the line losses.

vi. The Company has installed Zero Liquid Discharge System (ZLDS) on its 600 KLD STP and the treated water is used in humidification plant at Mandideep Spinning unit.

vii. The company has started revamping of the STP plants to make the water suitable for using in Humidification plant at Company's Spinning unit at village Lalru Distt. SAS Nagar and at village Jitwal Kalan, Malerkotla Distt. Sangrur.

viii. The Company has set up biomass based power captive plant with latest technology to control the demand of steam and power.

ix. The Company has also taken initiative to recharge rain water and installed rain water recharging pits in all of its units and has thus saved water as well as energy.

x. The Company has replaced all its lighting system with LED lighting and using electrical equipments with higher energy ratings and also replaced number of conventional motors starters with VFDs under energy saving projects

b. Steps taken for utilizing alternate sources of energy

The Company has already installed roof top solar plants at its spinning units, at Village Jodhan, Distt. Ludhiana, at village Lalru and Lehli, Distt. S.A.S Nagar and at village Mandideep, Distt. Raisen in the State of Madhya Pardesh which are generating clean & green energy.

c. Capital Investment on energy conservation equipments

The Company continues to make Capital Investment on energy conservation equipments.

B. TECHNOLOGY ABSORPTION

The Company continues to make efforts for Technology Absorption in all its spinning units. The efforts made by the Company are summarized as under:

- **Efforts made towards Technology Absorption**

  1. The Company has installed Ultra-Modern machineries in Company's Spinning Units.

- **Benefits derived**

  The company has not only improved its product quality and productivity but has reduced its manufacturing costs. The Company has been able to build its Brand in the World Markets as a Manufacturer of 'world class yarn' which has enabled it to compete in the global markets and expand its market to value added market segments.

- **Information regarding Technology imported during the last three years:**

Detail of Technology imported	: NIL
Year of import	: NA
Whether the technology has been fully absorbed	: NA
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	: NA

- **Expenditure on R & D**

  The R&D efforts in the company are focused not only on productivity, quality improvement with waste reduction but also developing value added products. The company has the latest on line & off line testing and monitoring equipments to maintain the consistency of raw material as well as finished products. The Company has been able to procure improved quality of raw material through R & D monitoring and achieve quality standards of the yarns.

Capital (Rs.)	:	-
Recurring (Rs.)	:	-
Total (Rs.)	:	-

- **Future Plans**

  The company is committed to continue the upgradation of its R&D facilities by adding latest instruments & machineries that will strive to develop new products, keeping in view the future market requirements and will thus improve its competitiveness.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(I) Activities relating to Exports, initiative taken to increase exports, Development of New Export Markets for products and export plans.	With the opening of Global Trade, Company has taken effective steps to increase its exports and diversified export Markets. Company continues to make efforts to provide quality products at very competitive rates so that it can compete with Global suppliers and maintain a steady growth of exports.

(Rs. in lakhs)

	Current Year	Previous Year
(II) Total Foreign Exchange used and earned		
a) Earning (FOB value of Exports etc.)	210463.89	112567.03
b) Outgo (CIF value of Imports, expenditure in foreign currency and other payments)	4530.66	4133.69

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA
DATED: 23rd JULY, 2022

JAWAHAR LAL OSWAL
(Chairman)
DIN:00463866

Annexure V

CORPORATE GOVERNANCE REPORT

This Report of Corporate Governance form part of the Annual Report.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company continues to practice the principle of good Corporate Governance. It is Company's firm belief that good CORPORATE GOVERNANCE is a key to success of business. The Company's philosophy envisages managing the company's affairs in fair and transparent manner with accountability in its operations so that Company's goal of creation and maximization of wealth of the shareholders could be achieved. Moreover, Good corporate Governance practices ensure that Company gain as well as retain the trust of Shareholders. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "Listing Regulations") incorporate certain mandatory disclosure requirements which are required to be made with regard to Corporate Governance (Part C of Schedule V). Accordingly, we are pleased to report on the Corporate Governance as hereunder: -

II. BOARD OF DIRECTORS:

a. Board Composition:

The Board of Directors is at the core of our Corporate Governance and oversees Management that protects Long term Interests of all the stakeholders. Your Management believe that well informed and Independent Board is necessary to ensure High Standard of Corporate Governance. The Regulation 17 of SEBI Listing Regulations prescribes that the Board of the Company should have the optimum combination of Executive and Non-executive directors with at least one Independent Women Director. Besides where the non-executive Chairperson is promoter of the listed entity or is related to any promoter then atleast half of the Board of Directors should consist of Independent Directors.

We are pleased to inform that Company's Board is an optimal mix of Executive, Non-Executive and Independent Directors so as to maintain its Independence in Governance and Management of the Company. The present strength of the Board as on 31st March, 2022 is Ten Directors. Mr. Dinesh Oswal is Managing Director of the Company and Sh. Jawahar Lal Oswal is Non-Executive Chairman and is one of the promoters of the Company. Accordingly, the Company's Board consists of five Independent Directors namely, Dr. Suresh Kumar Singla, Dr. Amrik Singh Sohi, Dr. Vijay Asdhir, Dr. Roshan Lal Behl and Dr. Manisha Gupta a Women Director. Sh. Kamal Oswal, Sh. Dinesh Gogna and Sh. S.K. Sharma are other Non-executive Directors of the Company. The Board on the recommendation of Nomination and Remuneration Committee has proposed re-appointment of Dr. Vijay Asdhir and Dr. Manisha Gupta, as an Independent Director of the Company for second term of 5(five) year i.e. September 26, 2022 to September 25, 2027. The resolutions for their re-appointment have been proposed to the members in the notice of the ensuing Annual General Meeting of the Company.

Dr. S.K Singla and Dr. Amrik Singh Sohi, both Independent Directors of the Company shall complete their second term of appointment of 5 (five) consecutive years on September 25, 2022.

The Board on the recommendation of Nomination and Remuneration Committee has proposed the appointment of Dr. Yash Paul Sachdeva and Dr. Anchal Kumar Jain, as Independent Directors of the Company for 5(five) years with the effect from August 24, 2022. Thus, the Company is in the compliance with the Regulation 17(b) of SEBI LODR Regulations, 2015 in respect of the Board Composition

b. Board Meetings held and dates on which held:

As per the provisions of Section 173 of the Companies Act, 2013 and the rules made thereunder, read with Listing Regulations, every Company is required to hold minimum four number of Board Meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive Board Meetings. We are pleased to report that the Company held four Board Meetings during the year i.e. on 31st May, 2021, 2nd August, 2021, 9th November, 2021 and 3rd February, 2022 with a clearly defined agenda and has thus complied with the said provisions of the Act. The agenda alongwith the explanatory notes are circulated to the directors well in advance. Every Board member can suggest the inclusion of additional items in the agenda. All the Directors strive to be present at the Board Meetings.

c. Details of Attendance of Directors at the Board Meetings and Last Annual General Meeting:

The participation of Non-Executive Directors and Independent Directors has been active in the Board Meetings. The names and categories of the directors on the Board, their attendance at Board Meetings held during the year and last Annual General Meeting held on Wednesday, 29th day of September, 2021 and the number of directorship and committee chairmanships/ memberships held by them in other public companies as on 31st March, 2022 is given hereunder:

Name of Directors	Category of Directors	No. of Directorship in other Public Companies	No. of Committee position held in other Public Companies		No. of Board Meetings attended	AGM Attendance	No. of Shares Held	Directorship in other Listed Entities	
			Member	Chairman				Name	Category
Mr. Jawahar Lal Oswal	Non Executive, Promoter	8	*	*	4	NO	90374	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited d) Monte Carlo Fashions Ltd.	Director
Mr. Dinesh Oswal	Executive, Promoter	6	*	*	4	YES	123766	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited	Director
Mr. Kamal Oswal	Non Executive, Promoter	8	1	*	4	NO	24750	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited d) Oswal Leasing Limited	Director
Mr. Dinesh Gogna	Non Executive	8	7	2	4	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited d) Monte Carlo Fashions Ltd. e) Oswal Leasing Limited	Director
Mr. S.K. Sharma	Non Executive	2	2	*	4	YES	21425	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Limited	Director
Dr. S.K. Singla	Independent	5	7	2	4	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited d) Monte Carlo Fashions Ltd. e) Kovalam Investment and Trading Company Ltd.	Independent Director
Dr. Amrik Singh Sohi	Independent	2	2	1	3	YES	NIL	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Limited	Independent Director
Dr. Manisha Gupta	Independent	7	7	1	4	YES	NIL	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Limited c) Monte Carlo Fashions Ltd. d) Nahar Industrial Enterprises Ltd. e) Oswal Leasing Ltd.	Independent Director
Dr. Vijay Asdhir	Independent	2	1	1	4	YES	NIL	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Limited	Independent Director
Dr. Roshan Lal Behl	Independent	5	6	4	4	YES	27	a) Nahar Industrial Enterprises Ltd. b) Nahar Capital and Financial Services Ltd. c) Monte Carlo Fashions Ltd. d) Oswal Leasing Limited	Independent Director

Other directorships do not include directorships of private limited companies, Section 8 companies and companies incorporated outside India. Chairmanship/ membership of Board Committees include only Audit Committee and Stakeholder's Relationship Committee as per Regulation 26(1)(b) of Listing Regulations.

d. Number of other Board of Directors or Committee in which Directors are member or chairperson:

The information regarding the other Board of Directors or Committees in which Directors are member or chairperson as on 31st March, 2022, is already given in the table given in Para C above. None of the Director holds Directorship in more than twenty Companies and is Director of more than ten public limited companies as prescribed under the Companies Act, 2013. Further, as per Regulation 17(A) of SEBI LODR (Amendment) Regulations, 2018 mandate that a person does not act as Director of more than eight listed entities and an independent director of more than seven listed entities. We hereby confirm that directors are holding Directorship as per the limit specified in Regulation 26(1) SEBI LODR Regulations, 2015. None of the director is a member of more than Ten (10) Board level Committees or is Chairperson of more than Five (5) such Board level Committees as required under Regulation 26(1) of SEBI LODR Regulations, 2015.

e. Disclosure of relationships between directors inter-se:

Mr. Jawahar Lal Oswal is the father of Mr. Kamal Oswal, Director and Mr. Dinesh Oswal, Managing Director of the Company. Mr. Kamal Oswal and Mr. Dinesh Oswal are brothers. None of other Director is related to any other director within the meaning of Section 2(77) of the Companies Act, 2013.

f. No. of Shares and Convertible Instruments held by non-executive directors:

Mr. Jawahar Lal Oswal who is Chairman and Non-Executive Promoter Director of the Company is holding 90374 equity shares of Rs. 5/- each of the Company. Mr. Dinesh Oswal, who is Managing Director of the Company, is also holding 123766 equity shares of Rs. 5/- each of the Company. Mr. Kamal Oswal, who is Non-Executive Promoter Director, is holding 24750 equity shares of Rs. 5/- each of the Company. Mr. S.K. Sharma, who is Non-Executive Director, is holding 21425 equity shares of Rs. 5/- each of the Company. Likewise, Dr. Roshan Lal Behl, who is an Independent Director, is also holding 27 equity shares of Rs. 5/- each of the Company.

g. Web link of Familiarization Programs:

The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at http://owmnahar.com/spinning/pdf/familiarization-2022.pdf

h. Key Board Qualification, Experience and Attributes:

The Company's Board comprises qualified members who bring in the required skill/Expertise that allow them to make effective contribution to the Board and its Committees. Pursuant to Regulation 34(3) read with Schedule V Part (C) (2)(h) of Listing Regulations, the Board of Directors has identified the following requisite skills/ expertise and competencies required in the context of Company's business and sector to function effectively.

Sr. No.	Core Skills/Expertise/Competencies
1.	Leadership skills
2.	Industry knowledge and Experience
3.	Managerial and Entrepreneurial Skills
4.	Experience and exposure in policy shaping and industry promotion
5.	Understanding of relevant laws, rules, regulations and policies
6.	Corporate Governance
7.	Financial expertise/Knowledge
8.	Risk Management
9.	Information Technology

A Chart matrix setting out the skill/ expertise/ competency currently available in the Board: A table showing details of Skill/ Expertise actually available with the Directors of the Company.

	Area of Expertise								
Directors	**Industry knowledge**	**Leadership Skills**	**Managerial and Entrepreneurial Skills**	**exposure in policy shaping**	**Understanding of relevant laws, rules, regulations and policies**	**Corporate Governance**	**Financial expertise / knowledge**	**Risk Management**	**Information Technology**
Mr. Jawahar Lal Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Mr. Dinesh Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Mr. Kamal Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Mr. Dinesh Gogna	YES	YES	YES	YES	YES	YES	YES	YES	YES
Mr. S.K. Sharma	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. S.K. Singla	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Amrik Singh Sohi	YES	YES	YES	YES	YES	YES	-	YES	YES
Dr. Manisha Gupta	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Vijay Asdhir	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Roshan Lal Behl	YES	YES	YES	YES	YES	YES	YES	YES	YES

i. Confirmation of Independent Directors and their registration with Databank

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions required for independent directors as specified in the Listing Regulations and are independent of the management.

j. Resignation of an Independent Director:

Pursuant to Clause C(2)(j) of Schedule V read with Regulation 34(3) of Listing Regulations, requirement of providing the detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons is not applicable as no Independent Director has resigned during the year under review.

k. Separate Meeting of Independent Directors:

As per the provisions of the Companies Act, 2013 and the rules made thereunder the Independent Directors are required to hold atleast one meeting in a year without the attendance of Non Independent Directors and members of Management. We are pleased to report that the Company's Independent Directors met on 8th November, 2021 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the Meeting, they –

i. Reviewed the performance of non-independent directors and the Board as a whole;

ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;

iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Further, it is confirmed that in the opinion of the Board, the Independent directors fulfill the conditions specified in these regulations and are independent of the Management.

III. BOARD COMMITTEES

The Board has constituted Audit committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee, CSR Committee and Share Transfer Committee which helps the Board in good Corporate Governance. Normally all the committees meet four times in a year. The recommendation of the committee is submitted to the Board for their approval.

1. AUDIT COMMITTEE

a. Brief Description of Terms of Reference:

The Board has constituted an independent and qualified Audit Committee. The term of reference of the Audit Committee is as per Part C of Schedule II of SEBI LODR Regulations 2015 and Section 177(4) of the Companies Act, 2013.

b. Composition:

The Audit Committee comprises of three Directors under the chairmanship of Dr. Vijay Asdhir, who is an Independent Director. Mr. Dinesh Gogna is Non Executive Director and Dr. S. K. Singla Independent Director, are the other two members of the Audit Committee. The Board in their meeting held on 25th May, 2022, approved the inclusion of Dr. Roshan Lal Behl, an Independent Director of the Company, as member of the Audit Committee w.e.f. 1st April, 2022. Mr. Brij Sharma is the Secretary of the Committee. Mr. Anil Garg who is the Chief Financial Officer is a permanent invitee of the Committee. The Statutory Auditors and Internal Auditors are also invited to attend the meetings as and when felt necessary and as per relevant provisions of the applicable laws/rules.

The Primary objective of Audit Committee is to monitor and provide an effective supervision on the Management financial reporting process, to ensure timely and accurate disclosure. Besides, the committee also oversees the work of internal and statutory auditors.

c. Meetings and Attendance

During the financial year 2021-22, the Committee met four times i.e. on 31st May, 2021, 2nd August, 2021, 9th November, 2021 and 3rd February, 2022, for reviewing and adopting the quarterly un-audited / audited financial results as well as the financial statements before recommending the same to the Board of Directors for their perusal and adoption.

The attendance record of the Audit Committee Members at the Meetings during the year 2021-22 is as under:

Name of Member	No.of Meetings Held	No.of Meetings Attended
Dr. Vijay Asdhir	4	4
Mr. Dinesh Gogna	4	4
Dr. S.K. Singla	4	4
*Dr. Roshan Lal Behl		

* Dr. Roshan Lal Behl, an Independent Director of the Company included in Audit Committee w.e.f. 1st April, 2022.

2. NOMINATION AND REMUNERATION COMMITTEE

a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board constituted the Nomination and Remuneration Committee. The

broad term of reference of the Nomination and Remuneration Committee is as per the requirements of Part D of Schedule II of SEBI LODR Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee identifies the persons who are suitable and qualified enough to become directors and who may be appointed in senior management category in accordance with the criteria laid down and recommend to the Board their appointment and removal. It carries out evaluation of every director's performance. The Committee also ensures that Company's remuneration policies in respect of Managing Director, Key Managerial Personnel and Senior Executives are competitive so as to recruit and retain best talent in the Company. It also ensures that appropriate disclosure of remuneration paid to the Directors, Managing Director, KMP and Senior Executives as per the applicable provisions of the Companies Act, 2013 and also devises a policy on "Diversity of Board of Directors". The company policy on Appointment and Remuneration of Directors has also been updated on Company's website i.e. www.owmnahar.com.

b. Composition:

The Committee consists of three Independent Directors namely; Dr. S.K. Singla as the Chairman and Dr. Amrik Singh Sohi and Dr. (Mrs.) Manisha Gupta as members of the Committee. The Board in their meeting held on 25th May, 2022, approved the inclusion of Dr. Roshan Lal Behl, an Independent Director of the Company, as member of the Nomination and Remuneration Committee w.e.f. 1st April, 2022.

c. Meetings and Attendance:

The Nomination and Remuneration Committee met two times during the year i.e. 31st May, 2021, 2nd August, 2021.The attendance record of the meetings held during the year 2021-22 is as under:

Name of Member	No.of Meetings Held	No.of Meetings Attended
Dr. S.K. Singla	2	2
Dr. Amrik Singh Sohi	2	2
Dr. Manisha Gupta	2	2
*Dr. Roshan Lal Behl		

*Dr. Roshan Lal Behl, an Independent Director of the Company included in Nomination and Remuneration Committee w.e.f. 1st April, 2022.

d. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of parameters for evaluation includes education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, ability to communicate effectively with other board members and management, effective decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

e. REMUNERATION OF DIRECTORS

A. Pecuniary relationship or transactions of the Non-executive Directors vis-à-vis the Company:

Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013 and as per the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the Members approved vide their special resolution the payment @0.35% of Export Sales of the Company to Mr. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the Company. The approval for the shareholder vide their special resolution is again sought for the above said payment Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013.

B. Criteria of making payment to non-executive directors:

The Non-Executive Directors are paid remuneration in the form of sitting fee of Rs. 10,000/- per meeting for attending the Board Meeting of the Company. The details of sitting fee paid to Non executive Directors during the year 2021-22 is as follows:

Name of Director	Sitting Fees (Rs.)
Mr. Jawahar Lal Oswal	*47922394
Mr. Dinesh Oswal	--
Mr. Kamal Oswal	40000
Mr. Dinesh Gogna	40000
Mr. S.K. Sharma	40000
Dr. S.K. Singla	40000
Dr. Amrik Singh Sohi	30000
Dr. Vijay Asdhir	40000
Dr. (Mrs.) Manisha Gupta	40000
Dr. Roshan Lal Behl	40000
Total	**48232394**

*It includes the sitting fee and the amount paid as per the approval of the shareholders vide their special resolution dated September 29th, 2021.

C. Disclosures with respect to remuneration:

The non-executive directors of the Company are being paid sitting fee for attending the Board Meeting. Mr. Dinesh Oswal, being the Managing Director of the Company has been paid remuneration as per shareholders' approval vide special resolution dated 29th September, 2021 under Section 197 read with Schedule V of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 for five years from 1st January, 2022 upto 31st December, 2026. The disclosure in respect of remuneration paid to Mr. Dinesh Oswal is as detailed below:

D. Elements of remuneration package

The elements of remuneration package paid to Mr. Dinesh Oswal, Managing Director of the Company, during the year 2021-22 is as follows:

Name of Director	Salary	Commission	Benefits	Bonuses	Stock Option	Pension	Total
Mr. Dinesh Oswal	*121794805	*108300000	-	-	-	-	*230094805

Note: * Pursuant to the provisions of Section 197 (1) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017 read with schedule V and other applicable provisions, the Company got approval of the shareholders vide Special Resolution dated 29th September 2021 for the payment of remuneration as mentioned in the resolution for five years from 1st January, 2022 upto 31st December, 2026. The commission amount of Rs. 10.83 crores provided in the books of accounts for the year ended 31st March, 2022.

E. Details of fixed component and performance linked incentives, along with performance criteria:

The fixed Component of remuneration of Managing Director includes salary, H.R.A, perquisites and retirement benefits. He is also entitled to 2% commission of the net profits of the company, as per the shareholder approval vide their special resolution dated September 29, 2021 under the companies Act, 2013.

F. Service contracts, notice period, severance fees;

The tenure of office of the Managing Director is for five years from the respective date of appointment and same can be terminated by either party by giving three months notice in writing. There is no separate provision for payment of severance fees.

G. Stock option details:

None of the Non Executive Directors has been granted any stock option by the Company.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee. The Committee looks into the complaints/grievances of shareholders in respect of transfer of shares, Non receipt of Dividend, Share Certificates, Dematerialisation and Annual Reports etc. and recommends measures for improving the quality of investor service. The committee also oversees the performance of M/s Alankit Assignment Ltd. the Registrar and Transfer Agent of the Company. The main objective the committee is to assist the Board and Company in maintaining healthier relationship with all stakeholders.

b. Composition:

The Committee consists of three non executive directors under the Chairmanship of Dr. Vijay Asdhir. Dr. Amrik Singh Sohi an Independent Director and Mr. S.K. Sharma a Non Executive Director are the other two members of the Committee.

c. Meetings and Attendance

The Committee met four times from 1st April, 2021 to 31st March, 2022 i.e. 31st May, 2021, 2nd August, 2021, 9th November, 2021 and 3rd February, 2022. The attendance record at the meetings held during the year 2021-22 is as follow:-

Name of Member	No.of Meetings Held	No.of Meetings Attended
Dr. Vijay Asdhir	4	4
Mr. S.K. Sharma	4	4
Dr. Amrik Singh Sohi	4	3

d. Name and Designation of Compliance Officer

Mr. Brij Sharma, Company Secretary is the Compliance Officer of the Company.

e. Details of Investors' complaints received/ resolved/ not solved to the satisfaction of shareholders/ pending:

The Company has been quick in redressed of the grievances of the shareholders and has attended to most of the investors correspondence/ grievances with in a period of 7 to 10 days from the date of the receipt of the same. The details of Investors' complaints received/resolved/not solved to the satisfaction of shareholders/pending is given here under:

No. of complaints received during the financial year	**: THREE**
No. of complaints resolved during the financial year	**: THREE**
No. of complaints not solved to the satisfaction of shareholders	**: NIL**
No. of complaints pending as on 31st March, 2022	**: NIL**

f. Dedicated e-mail for Investor Grievance

To enable investors to register their grievances, the Company has designated an exclusive e-mail id i.e. gredressalnsml@owmnahar.com.

4. RISK MANAGEMENT COMMITTEE

a. Brief Description of Terms of Reference:

As per the provisions of Regulation 21 of SEBI (Listing Obligation Disclosure Requirements) (Second Amendment) Regulations, 2015, the Company falls under the top 1000 list of listed entities determined on the basis of market capitalization as at the end of immediate financial year. The company's ranking is 730 on the basis of market capitalization as on 31st March, 2022. Accordingly, in compliance of the said LODR Regulations, the company has already constituted a Risk Management Committee to frame, implement and monitor the risk management plans for the company.

b. Composition:

The Risk Management Committee comprises of three Directors under the chairmanship of Mr. Dinesh Oswal, Managing Director of the Company. Dr. S.K. Singla and Dr. Rohan Lal Behl are other two members of the Committee.

The main term of reference of the Committee is to review and monitor the risks associated with Company's business and suggest measures for mitigation of the same as per Company's Risk Management Policy.

However, no business is free from Normal Business Risks i.e. Financial Risk, Exchange Risk, Cotton Prices Risk, Policy Risk, Global Risk etc. Earlier, the Audit Committee was taking care of the Company's risk management policies but with the constitution of Risk Management Committee it will be reviewed in its meeting so that the Company could face the challenges and risk associated with the Business successfully and become a Global competitive Company.

c. Meetings and Attendance

The Risk Management Committee met two times during the year i.e. 31st May, 2021, 15th November, 2021.The attendance record of the meetings held during the year 2021-22 is as under:

Name of Member	No.of Meetings Held	No.of Meetings Attended
Sh. Dinesh Oswal	2	2
Dr. S.K. Singla	2	2
Dr. R.L. Behl	2	2

5. OTHER COMMITTEES

1. SHARE TRANSFER COMMITTEE

The Company has also constituted a Share Transfer Committee comprising of 4 (four) members under the Chairmanship of Mr. Dinesh Oswal, Managing Director of the Company. Mr. Dinesh Gogna and Mr. S.K. Sharma, Directors of the Company and Mr. Brij Sharma, Company Secretary of the Company, are the members of the Committee. The Committee is responsible for approving the transfer and transmission of securities, Dematerialisation of shares, issuance of duplicate share certificates and other shareholders related issues. The Committee met nineteen times during the year under review i.e. 15th April, 2021, 30th April, 2021, 17th May, 2021, 29th May, 2021, 16th June, 2021, 30th June, 2021, 15th July, 2021, 31st July, 2021, 16th August, 2021, 31st August, 2021, 13th September, 2021, 30th September, 2021, 15th October, 2021, 30th October, 2021, 17th November, 2021, 1st December, 2021, 17th December, 2021, 31st December, 2021, 15th January, 2022, 31st January, 15th February, 2022, 28th February, 2022, 15th March, 2022 and 31st March, 2022 and the attendance record of the members at the meetings held during the year 2021-22 is as follows:-

Name of Member	No.of Meetings Held	No.of Meetings Attended
Mr. Dinesh Oswal	24	24
Mr. Dinesh Gogna	24	24
Dr. S.K. Sharma	24	24
Mr. Brij Sharma	24	24

Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares (in respect of which dividend remain unpaid/unclaimed for a period of seven consecutive years) to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: http://www.owmnahar.com/spinning/transfer-of-

equity-shares-to-IEPF.php. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link http://www.iepf.gov.in/IEPFA/refund.html.

The Shareholders can claim their subject shares/dividend by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. The Shareholders can also view the procedure at www.iepf.gov.in.

As per SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002; the Company has appointed M/s. Alankit Assignments Ltd, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the shareholders, investors, members of Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer/transmission, Demat, Remat, Change of Address etc. to our Registrar, whose address and telephone no etc. has already been mentioned in Director's Report.

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board constituted Corporate Social Responsibility Committee as per the provisions of Section 135 of the Companies Act 2013, read with Companies (corporate Social Responsibility policy) Rules, 2014. The Committee formulated and recommended Company's CSR policy to the Board which was approved and adopted by the Board of Directors. The Company's CSR policy is also available on Company's website www.owmnahar.com. As per policy, Company is undertaking CSR activities in collaboration with Group Companies under one umbrella i.e. through Oswal Foundation which is a Registered Society formed in 2006. The committee overseas and monitors the activities /programmes/projects undertaken by Oswal Foundation.

Composition

The CSR Committee comprises of three Directors under the chairmanship of Mr. Dinesh Oswal, Managing Director of the Company. Dr. S.K. Singla and Mr. Dinesh Gogna are other two members of the Committee. There has been no change in the composition of the committee during the year.

During the year under review, the Committee met once i.e. on 2nd August, 2021 and 10th January, 2022. The attendance record of members at the meeting held during the year 2021-22 is as follow:-

Name of Member	No.of Meetings Held	No.of Meetings Attended
Mr. Dinesh Oswal	2	2
Dr. S.K. Singla	2	2
Mr. Dinesh Gogna	2	2

The CSR report, as required under the Act for the year ended 31st March 2022 is attached as Annexure I to the Board report.

IV. GENERAL BODY MEETINGS

a. Location and time, where last three Annual General Meetings held:

Financial Year	Location	Date	Time
2018-2019	Premises of Nahar Industrial Enterprises Ltd., Focal Point, Ludhiana.	30.09.2019	11.00 A.M.
2019-2020	Through Video Conferencing/ Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	29.09.2020	11.00 A.M.
2020-2021	Through Video Conferencing/ Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	29.09.2021	10.00 A.M.

b. Whether any Special Resolutions passed in the previous three Annual General Meetings:

2018-19

1. To approve the payment of remuneration to Mr. Dinesh Oswal, Managing Director, as approved by shareholders on 30th September, 2016 under section 197 read with schedule V of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017

2019-20

No special resolution passed in 2019-20

2020-21

1. Reappointment of Mr. Dinesh Oswal as Managing Director of the Company, as approved by the shareholders on 29th September, 2021 under section 196, 197 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013.
2. To approve payment to Mr. Jawahar Lal Oswal, Non-Executive Director of the Company, as approved by shareholders on 29th September, 2021 under section 197 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013.
3. To approve continuation of holding of office as Independent Director by Dr. Vijay Asdhir (DIN: 06671174), on attaining the age of 75 years.

4. To approve continuation of holding of office as Independent Director by Amrik Singh Sohi (DIN: 03575022), on attaining age of 75 years.

c. Whether any Special Resolution passed last year through postal ballot.

No Special Resolution was passed during the financial year ended 31.03.2022 through postal ballot.

d. Person who conducted the postal ballot

g. Demat ISIN number in NSDL and CDSL for Equity Shares: INE290A01027

The annual custodian fees for the financial year 2022-23 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

h. Market Price Data-high low during each month in last financial year

The Company's equity shares are listed at BSE and NSE. Accordingly the month wise High and Low stock prices from April, 2021 to March, 2022 are as follows:

Month	BSE		NSE	
	High	Low	High	Low
April, 2021	108.95	93.00	107.00	92.00
May, 2021	145.50	105.00	145.95	104.50
June, 2021	245.40	145.05	246.00	145.00
July, 2021	405.30	219.45	407.50	219.50
August, 2021	476.00	341.45	477.00	340.75
September, 2021	432.50	350.00	429.70	354.90
October, 2021	528.00	416.10	527.85	424.00
November, 2021	600.00	464.10	597.00	465.00
December, 2021	554.00	466.10	560.00	468.00
January, 2022	652.70	491.50	635.00	490.00
February, 2022	692.00	470.00	690.00	480.10
March, 2022	592.90	475.05	589.70	475.10

Source: Data has been taken from the website of the BSE and NSE. The Company does not have any other sources for verification of data.

i. Performance in comparison to broad based indices such as BSE Sensex

The Company's equity shares are listed at BSE and NSE. Accordingly, comparison between Nahar Spinning Mills Limited closing price variation and BSE Sensex in percentage from April, 2021 to March, 2022 is as under:

	Share Prices of Nahar Spinning Mills Limited				BSE Sensex			
Year 2021-22	Highest	Lowest	Closing	%age Change over last Month's Closing	Highest	Lowest	Closing	%age Change over last Month's Closing
April, 2021	108.95	93.00	104.75	0.82	50,375.77	47,204.50	48,782.36	1.47
May, 2021	145.50	105.00	142.35	35.89	52,013.22	48,028.07	51,937.44	6.47
June, 2021	245.40	145.05	226.65	59.22	53,126.73	51,450.58	52,482.71	1.05
July, 2021	405.30	219.45	394.80	74.19	53,290.81	51,802.73	52,586.84	0.20
August, 2021	476.00	341.45	392.55	-0.57	57,625.26	52,804.08	57,552.39	9.44
September, 2021	432.50	350.00	423.15	7.80	60,412.32	57,263.90	59,126.36	2.73
October, 2021	528.00	416.10	511.40	20.86	62,245.43	58,551.14	59,306.93	0.31
November, 2021	600.00	464.10	479.90	-6.16	61,036.56	56,382.93	57,064.87	-3.78
December, 2021	554.00	466.10	496.50	3.46	59,203.37	55,132.68	58,253.82	2.08
January, 2022	652.70	491.50	605.55	21.96	61,475.15	56,409.63	58,014.17	-0.41
February, 2022	692.00	470.00	505.60	0.92	59,618.51	54,383.20	56,247.28	-3.05
March, 2022	592.90	475.05	510.25	6.82	58,890.92	52,260.82	58,568.51	4.13

Source: Data has been taken from the website of the BSE. The Company does not have any other sources for verification of data.

j. In case the securities are suspended from trading, reason thereof

The Company's securities have not been suspended from trading during the year under review.

k. Registrar to an issue and Share Transfer Agents

As per SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002; the Company has appointed M/s Alankit Assignments Ltd. New Delhi, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the Shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of Share Transfer/Transmission, Demat/Remat, Change of Address etc. to our Registrar whose address and telephone nos. etc. have already been mentioned in the Directors' Report.

In case any query/complaint remains unresolved with our Registrar, please write to the Company Secretary at the Registered Office of the Company.

Members may kindly note that the Registrar & Transfer Agent and/or the Company will not entertain request for noting of change of address/ bank details/ECS mandate in case of accounts with Demat holding. For this purpose, shareholders should approach their Depository Participant.

l. Share Transfer System

The Company has constituted a Share Transfer Committee consisting of four members, namely Mr. Dinesh Oswal, Managing Director, Mr. Dinesh Gogna, Mr. S.K. Sharma, Director and Mr. Brij Sharma, Company Secretary of the Company. Share Transfer Committee meets once/twice in a month to approve the transmission / transposition / change of name, issue of duplicate share certificates & dematerialization of shares as per the procedure prescribed under the Companies Act, 2013 / Listing Regulations.

As required under Regulation 40(9) of the SEBI LODR Regulations, 2015, a certificate is obtained at the end of Financial Year from a Practicing Company Secretary within Thirty days from the end of financial year certifying that all certificates have been issued within thirty days of their lodgment for transmission, change of name, transposition, sub-division, consolidation, renewal and exchange or endorsement. The certificate is forwarded to BSE and NSE where the Equity Shares of the Company are listed.

m. Distribution of Shareholding

As on 31st March, 2022, your Company had 28278 shareholders having a total of 3,60,65,303 Equity Shares. The following is the distribution of Shareholding:

No. of Shares Held	No. of holders	Percentage of Shareholders	Aggregate shares held	Percentage of Shareholding
1-500	25963	91.81	2876231	7.98
501-1000	1244	4.40	928947	2.58
1001-2000	525	1.86	771301	2.14
2001-3000	192	0.68	489752	1.36
3001-4000	83	0.29	296691	0.82
4001-5000	67	0.24	311066	0.86
5001-10000	110	0.39	790806	2.19
10001 and above	94	0.33	29600509	82.07
Total	**28278**	**100.00**	**36065303**	**100.00**

n. Shareholding Pattern as on March 31, 2022

Shares held by	No. of Shares	Percentage of Shareholding
Banks and Mutual Funds	202243	0.56
Foreign holdings (FIIs, NRIs, OCBs)	307094	0.85
Trust	90	0.00
Bodies Corporate	496996	1.38
Directors/Relatives of Directors	40003	0.11
General Public	9813727	27.21
HUF	717053	1.99
Promoter	23914824	66.31
Shares Transferred to IEPF	573273	1.59
Total	**3,60,65,303**	**100.00**

o. Dematerialisation of Shares and Liquidity

The Securities and Exchange Board of India (SEBI) has included Company's scrip in compulsory Demat settlement for all type of investors. Thus, the dealing in Company's equity shares can be in Demat form only. To facilitate holding and trading of securities in electronic form, your Company has established connectivity with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). The investors have an option to dematerialize their equity shares with either of the Depositories. Shares held in demat and physical mode as on 31st March, 2022 is as follows:

Category	Number of Shareholder's	Number of Shares	% to total equity
Demat mode	22531	35331450	97.96%
Physical mode	6469	733853	2.04%
Both*	12		
Grand Total	**29000**	**36065303**	**100.00%**

***Pan consolidated cases of shareholders**

SEBI vide its notification dated June 08, 2018 amended the Regulation 40 (1) (b) of SEBI (LODR) Regulations, 2015 whereby it has been provided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in Dematerialized form with the Depository. Hence all members who are holding equity shares in physical form are requested to go in for dematerialisation of securities at the earliest.

p. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any Convertible Instruments, which is likely to have any impact on the equity of the Company.

q. Commodity price risk or foreign exchange risk and hedging activities

The Company is in the Manufacturing of Yarn and Garments under the main head 'Textiles'. The Company has not dealt in any commodity market and thus there is no commodity price risk. Since the Company is in the export of Yarns/Garments Business, to cover itself from exchange rate fluctuations it goes in for partial hedging by normal booking in the normal course of the business. The Company is not involved in any speculative activities.

r. Plant Locations:

375, Industrial Area-A, Ludhiana
427, Industrial Area-A, Ludhiana
Dhandari Kalan, G.T.Road, Ludhiana
Village Samrai, Mandideep, Distt. Raisen (M.P.)
Village Lalru and Lehli, Distt. S.A.S. Nagar (P.B)
Village Jalalpur, Distt. S.A.S. Nagar (P.B)
Village Jodhan, Distt. Ludhiana
Village Jitwal Kalan, Tehsil Malerkotla, Distt. Sangrur

s. Address for correspondence:

"NAHAR TOWER"
373, Industrial Area-A,
Ludhiana-141003 (Pb.)
Phone No : 0161-2600701
Fax No. : 0161-2601956, 2222942
E-mail address: secnsm@owmnahar.com

Website: www.owmnahar.com

t. Credit Ratings:

We are pleased to inform that after taking into account the improved excellent financial performance and cash flow position, the Credit Rating Information Services of India Ltd. (CRISIL) vide its letter no. RL/NAHSPIN/276336/BLR/0921/18115 dated September 24, 2022 has intimated that Company's rating outlook on the long term bank facilities has been upgraded to 'CRISIL A/Stable' from 'CRISIL A-/Stable' and on the short-term bank facility to 'CRISIL A1' from 'CRISILA2+'.

VII. OTHER DISCLOSURES

1. Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

During the year, there are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. During the year, the Company had not entered into any contract / arrangement / transactions with related parties which could be considered material in accordance with the provisions of Regulation 23 of SEBI LODR Regulations, 2015. However, the normal sale and purchase transactions which take place in the ordinary course of business on Arm's length basis with the Group Companies are disclosed in the Notes to the Financial Statements as per applicable provisions.

2. Details of Non-compliance by the Company, penalties, strictures imposed by Stock Exchanges or the Board or any Statutory Authority on any matter related to capital markets during the last three years:

The Company continues to comply with the regulations of Stock Exchanges, SEBI or any statutory authority on all matters related to capital market during last three years. However, on 30th December 2021 company received an email having reference no. SOP-C review-(30-Dec-2021) and letter no. NSE/LIST/SOP/COMB/FINES/0822 wherein it was mentioned that a fine of Rs.4720 (including GST) under regulation 34 of SEBI (LODR) Regulation, 2015. (i.e.) delay in the uploading/filing of Annual Report by one day on the exchange system. The company has already explained its position vide its letter dated January 1, 2022 mentioning therein that delay in uploading of Annual report on system was not intentional but due to technical error and and has requested to the Exchanges to condole the delay and also remit the fine. No penalty or strictures have been imposed on the Company by the said authorities relating to the above.

3. Details of establishment of Vigil Mechanism/ Whistle Blower Policy:

The Board, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, has established a Whistle Blower Policy/Vigil Mechanism for its directors and employees to report genuine concerns or grievances about the unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or Policy. The Policy also enables the adequate safeguards against victimization of persons who use such mechanism. The Audit Committee regularly reviews the working of the Mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at http://owmnahar.com/spinning/pdf/vigil_mechanism.pdf.

4. Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements of Corporate Governance as prescribed in SEBI (LODR) Regulations, 2015. Besides, the Company has also complied with the non mandatory requirements in respect of Corporate Governance as specified Part E of Schedule II of SEBI (LODR) Regulations, 2015 as detailed below:

i. **Un-modified opinion(s) in audit report:** The Company is already in a regime of financial statements with un-modified audit opinion.

ii. **Separate post of Chairperson and the Managing Director:** Mr. Jawahar Lal Oswal is the Chairman of the Company and Mr. Dinesh Oswal is Managing Director of the Company. Thus, the post of Chairman and Managing

Director are held by different persons.

iii. **Reporting of internal auditor:** The internal auditor may report directly to the Audit Committee.

The Company is yet to comply with other non mandatory requirements of the Corporate Governance as specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

5. **Web link where policy for determining 'material' subsidiaries is disclosed:**

The requirement of policy for determining 'material' subsidiaries is not applicable to the Company as it does not have any subsidiary Company.

6. **Web link where policy on dealing with related party transactions is disclosed:**

The Company has formulated the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, which can be accessed at http://owmnahar.com/spinning/pdf/RPT-NAHAR-SPINNING.pdf.

7. **Disclosure of commodity price risks and commodity hedging activities:**

The Company is engaged in the textiles Business and the Primary raw material for the manufacturing of the Yarns is raw cotton with the share of around 60% of total cost. The cotton being a seasonal agriculture produce, its supply, quality and prices are subject to forces of nature i.e. Monsoon. The Company purchases the raw cotton as per the Company procurement policy so that it is able to run its plant for the whole year. During the year, the Company has not dealt in any commodity market, thus there is no commodity price risk. Further, the Company is not involved in Speculative activities.

8. **Details of utilization of funds raised through preferential allotment or qualified institutions placement:**

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations.

9. **Certification from Company Secretary in Practice:**

Mr. P.S. Bathla (C.P No. 2585), Proprietor of M/s. P.S. Bathla & Associates, Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such other authority. The certificate is attached with this Report.

10. **Recommendation of Committees:**

In the financial year 2021-22 the board has accepted all recommendations of its Committees.

11. **Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.

12. **Fees paid to Statutory Auditors:**

During the year company paid an Audit fees of Rs. 14,98,301/- inclusive of Certification Charges Rs. 15654/- and out of Pocket Expenses Rs. 46247/- to Statutory Auditors.

13. **Dividend Distribution Policy:**

As per regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, top 1000 listed companies determined on the basis of Market Capitalization as at the end of the immediate financial year are required to formulate a dividend distribution policy. The Company's ranking was 730 on the basis of the market capitalization as at the end of the immediate previous financial year at NSE. The Board of Directors in their Meeting held on 31st May, 2021 has approved and adopted the Dividend Distribution Policy. This policy sets out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy is available at company's website at www.owmnahar.com

14. **Business Responsibility and Sustainability Report:**

We are pleased to inform you that the Company has been ranked 730 by the National Stock Exchange, Mumbai on the basis of Market Capitalization, calculated as on March 31, 2022. As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires Top 1000 listed entities based on market capitalization shall submit a Business Responsibility

Report (herein after referred to as BSR) describing the initiative taken by the Company from an environmental, social and government prospective, in the format as specified by the Board from time to time. The BSR shall be discontinued after the financial year 2021-22 and thereafter, with effect from financial year 2022-23, Top 1000 listed entities based on market capitalization are required to submit Business Responsibility and Sustainability Report (herein after referred as BRSR) in the format subscribed by the SEBI. However, the top 1000 listed entities can submit the said report voluntarily in place of mandatory Business Responsibility Report.

The company has voluntarily provided BRSR in lieu of BSR which indicates the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct.' The Business Responsibility and Sustainability Report is attached with the Director's Report as Annexure VII.

15. Insurance Policy For Directors And Officers

As per Regulation 25 (10) of Listing Regulations, top 1000 listed entities are required to undertake Director and officer Insurance Policy. The company falls under the category of top 1000 listed entities. For ensuring good Corporate governance and also to comply the regulation of SEBI (LODR) Regulations, 2015 company has taken Directors and Officers insurance ('D and O insurance') Policy.

16. Prevention of Insider Trading:

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has accordingly amended its "Code of practices and procedures for fair disclosure of unpublished price sensitive information" and "Code of Conduct to regulate, monitor and report trading by insiders". The Codes help to regulate trading in securities by the designated persons. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary being the Compliance Officer is responsible for implementation of the Code.

17. Reconciliation of Share Capital Audit

Pursuant to Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, every issuer company shall submit audit report on a quarterly basis for the purposes of reconciliation of the total issued capital, listed capital and capital held by depositories in dematerialized form, the details of changes in share capital during the quarter and the in-principle approval obtained by the issuer from all the stock exchanges where it is listed in respect of such further issued capital. The said certificate duly certified by a Practicing Company Secretary is submitted to the Stock Exchanges within 30 days of the end of each quarter.

18. CEO and CFO Certification

As required under Regulation 17(8) of SEBI (LODR) Regulations, 2015, a Certificate duly signed by the Managing Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 25.05.2022.

19. Disclosure of Loans And Advances:

The Company has not given any Loans and Advances(in the nature of Loan) provided by the Company to firms/companies in which its Directors are interested.

VIII. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF:

The Company has complied with all the requirements of Corporate Governance Report from sub-paras (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations, 2015.

IX. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS AS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(i)(b) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company has complied with all the Corporate Governance requirements as specified in Regulation 17 to 27 (except Regulation 24, which is not applicable to the Company) and Regulation 46 (2) (i) (b) of SEBI LODR Regulations, 2015.

X. CODE OF CONDUCT

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standard of transparency. Accordingly, the Company has laid down a Code of

conduct for all its Board members and Senior Managerial Personnel so that conflict of interest could be avoided. The Code of Conduct suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. The code of conduct is also available on Company's website i.e. www.owmnahar.com. The Board members and senior management personnel affirm the compliance of this Code annually. A declaration by the Managing Director/CEO in terms of SEBI LODR Regulations, 2015 to the effect that members of the Board and senior management personnel have affirmed compliance with this Code of Conduct is attached with this Report.

XI. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil

b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil

c. Number of shareholders to whom shares were transferred from suspense account during the year: Nil

d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil

e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

All the shares of the Company has already been allotted to the eligible allottees, hence there is no Demat suspense account/unclaimed suspense account.

FOR AND ON BEHALF OF THE BOARD

PLACE: LUDHIANA
DATED: 23rd JULY, 2022

JAWAHAR LAL OSWAL
(CHAIRMAN)
(DIN: 00463866)

n

CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*)*

To

The Members,
Nahar Spinning Mills Limited,
Ludhiana

We have examined the report of Corporate Governance presented by the Board of Directors of **NAHAR SPINNING MILLS LIMITED** for the year ended 31st March, 2022 as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the same.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors and Management, we hereby certify that the Company has duly complied with the conditions of Corporate Governance as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Bathla & Associates
Company Secretaries
Sd/-
P.S. Bathla
(Proprietor)
FCS: 4391/CP No. 2585
Peer Review No. 1306/2021

PLACE: LUDHIANA
DATED: 23RD JULY, 2022
UDIN: F004391D000654788

Government has introduced Production Link Incentives Scheme (PLI) for the Textile Industry under which incentives will be provided for setting Textile & Apparel manufacturing in key man -made fibre based products. This will give a further push to the Textile Industry.

The Government is also in the process of setting up seven integrated Mega Textile parks in the country to enable India's Textile Industry to become Globally competitive, attracts large investments and boost employment generation through the creation of world-class infrastructure. The Mega Textile parks will offer an opportunity to create an integrated Textile value chain right from spinning, weaving, processing, dyeing and knitting to garment manufacturing at one location. It is expected that the world class industrial infrastructure will attract big-ticket investments in the sector.

Further, due to unprecedented boost by the Government, the Textile Industry is going to be the biggest beneficiary and will help the country in becoming a Global Textile Hub. Moreover, a number of countries around the world have understood from the COVID-19 calamity that dependence on the one country for its textiles requirements is not a good policy. So, in the changed business scenario they have started looking for alternative production sources other than China. This offers a Golden opportunity to the Industry. Your Management is quite optimistic that Industry with the support of favorable Government Policies and Programs will capitalize on this opportunity to increase its share in Global Textile Markets.

In line with the global trends and to remain competitive, your company continues to modernize, upgrade and expand its capacities so that it remains globally competitive in terms of cost and quality.

OPPORTUNITIES AND THREATS

We would like to inform that presently India's share in the Global Textile export is just 5% which is minuscule as compared to China's share of 37%. The outbreak of second wave of COVID-19 pandemic, trade tension between U.S. and China coupled with geo-political uncertainty because of Russian and Ukraine conflict has severely affected Chinese Textile Exports. It has provided an opportunity to the Indian Textile industry to grab the space vacated by China in the developed world especially in US and European Union.

Moreover, several countries of the world have realized that dependence on the one country for its textiles requirements is not a good policy. So, in the changed global scenario they have started looking for alternative production sources and has started working on China plus one strategy for the requirement of Textile Products. India should capitalize this opportunity and present itself as a credible alternative. India certainly has an edge to be an alternative manufacturing hub for global players as two major things required to run textile Industry are cotton and skilled work force and they are abundantly available in the country. More and more overseas buyers are looking at India as the next best alternative supplier of textile products and it is expected that more orders will shift to Indian Textile Industry.

The relative success of the Spinning Industry is dependent on the availability of Raw Cotton at reasonable prices. The Raw cotton is the main Raw material (constituting approx. 60% of the total cost) for the manufacture of cotton yarn and it is dependent on the Nature i.e. Good/Bad Monsoon. So availability of raw cotton at reasonable prices is crucial for the spinning Industry. Any significant change in raw cotton prices and Monsoon can affect the performance of the Industry. This year steep increase in the prices of raw cotton as severally impacted the Textile Industry.

The Textile Industry is also not free from normal business risks and threats. The slowdown in the Global Trade because of the Geo political tension, High prices of raw cotton, low demand coupled with Outbreak of second wave of Covid-19 Pandemic in several countries, has affected exports of textile products. The prevailing situation is still uncertain as the risk of new disrupted COVID-19 variant has the potential to prolong the pandemic and thus causing fresh economic impacts.

Moreover, exports continues to face stiff challenges from the small countries like Bangladesh, Sri Lanka and Taiwan etc., who have got the preferred treatment from the countries of European Union and U.S. The above mentioned factors have had and will continue to have a significant bearing on the financial performance of the Industry in the coming period too.

FUTURE OUTLOOK

We are pleased to inform you that the year gone by has been excellent for the Textile Industry. The Indian Textile Exports surpassed the export figures of last year. Indian Textile Industry is one of the key industry of the country and the Government through its policies and initiatives continues to give further push to the industry so that it become global competitive and increase its Global share. The Government has introduced Production Linked Incentive (PLI) Scheme for the Textile Industry which will help in increasing the Textile Exports. The sector needs more support so that

it can enhance its competitive advantage in terms of technology upgradation so as to achieve sustained growth in Exports as well as Domestic markets. The Industry on their part is also continuously modernizing and upgrading its Technology to maintain its core competence and convert it into the competitive edge over others.

However, in the current year the risk of slow down in the world economy has lowered the demand for the Textile Products resulting fall in the International as well as Domestic prices. The high cotton prices coupled with slackness in Global demand are affecting the fortunes of the Textile Industry. Indian cotton yarn exports are likely to witness a decline in financial year 2023 after robust increase in the previous year. The Future is still not clear. Your management is looking at the future with optimism and expects that with the improvement in the global demand and softening of raw cotton prices in the coming periods, will give a relief to the Textile Industry. We expect that in this challenging period, Government will support the Spinning industry in the form of favorable Textile policies, incentives and other benefits which are of paramount importance for the future growth of the Industry.

RISK AND CONCERNS

No industry is free from normal business risk and concerns. Indian Textile Industry continues to face stiff competition from China, Bangladesh, Taiwan Sri Lanka and other emerging economies. The relative competitiveness of Industry is dependent upon the raw cotton prices, exchange rates and prevalent interest rates regime. The primary raw material for the manufacturing of yarn is cotton which is an agriculture produce. Its supply and quality are subject to forces of nature i.e. Monsoon. Any increase in the prices of raw cotton will make the things difficult for the Textile Industry resulting weak demand and thin margins. Thus availability of raw cotton at the reasonable prices is crucial for the spinning industry. Any significant change in the raw cotton prices can affect the performance of the Industry.

The high rate of interest is affecting the financial performance of the Textile Industry. The Spinning industry being more capital intensive requires huge funds, long term as well as short term in the form of working capital for its running. The Government must support the industry by providing cheap finance so that the industry remains financially viable. Though Government has taken some remedial measures in this regard but still a lot more is required so that the Textile Industry could meet the challenges ahead.

Moreover, the ongoing Geopolitical conflict between Russia and Ukraine has affected global trade. The imposition of sanction by the U.S. and European Union on Russia has severally impacted India's exports to several countries. The Indian Textile Industry which is one of the major foreign exchange earner for the country, is likely to be affected by said sanctions.

Beside, the prevailing weak economic scenario, supply chain disturbance and rise in prices of oil and energy, high inflation has started causing significant disturbance and slow down of the Global economies. The future is still uncertain and no one knows where it lead to us? Thus, the Company consider it a possible concern resulting into a treat to the Industry.

In addition to the above, the other concerns like higher transaction costs, high cost of labour, continuously increasing prices of raw material are posing a risk to the growth of Indian Textile Industry. The Government should extend a helping hand to the existing Textile Units so that they can become globally competitive and contribute towards the growth of the country.

Internal Control Systems and their adequacy

The Company is maintaining an efficient and effective system of Internal Financial Control for facilitating accurate compilation of financial statements. The company's Internal Control system is designed to ensure operational efficiency, protection and conservation of resourses, accuracy and promptness in financial reporting and compliance with procedures, laws and regulations. The Company's Internal Control system commensurate with the nature of its business and the size of its operations. In order to further strengthen the Internal Control system and to automate the various processes of the business, company is making use of SAP S4 HANA application, which is based on SAP HANA database. It keeps all the data in memory which results in data processing that is magnitude faster than that of disk based system, allowing for advanced, real time analytics.

The Company has also appointed Piyush Singla & Associates, Chartered Accountants Firm, as Internal Auditors of the Company for the financial year 2022-23. The Company is also having Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management. During the year, Company's Internal Controls were tested and

no reportable weakness in the system was observed.

Apart from this, an Audit Committee consisting of four non executive directors has been constituted. All the significant audit observation and follow up action thereon are taken care of by the Audit Committee. The Audit Committee met four times during the financial year under review. The Company has also established a Vigil Mechanism as per section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

Segment wise or Product wise Financial Operation and Performance

The Company is operating in single segment only i.e. Textile. Despite the challenges of second wave of covid-19 during the first quarter of the year, company has been able to put up a splendid performance showing excellent performance on all parameters. The Company achieved a total income from operations of Rs. 3608.37 crores as against Rs. 2118.83 crores showing an impressive increase over the previous year. The exports at Rs. 2175.53 crores have also shown an increase of 89.78 % over the previous year. On profitability front, the company substantially improved its performance and earned a profit before tax of Rs. 674.73 crores as against profit of Rs. 53.53 crores in the previous year. The detailed performance has already been discussed in the Director's Report under the column 'Operational Review and State of Affair's'.

Material Developments in Human Resources/ Industrial Relations

Beyond Balance Sheet lies Company's singly biggest Asset "Human Resources". The Company is of firm belief that the Human Resources are the driving force that propels a Company towards progress and success. The Company continued its policy of attracting and recruiting the best available talent so that it can face business challenges ahead. The Company also offers attractive compensation packages to retain and motivate the professionals so that they can give their best.

We would also like to inform you that during the challenging period of COVID-19 pandemic, Company has taken all possible steps to take care of the safety, security and health of the workers/ employees. The Company provided masks, hand sanitizer, regular body temperature checkup facility at the factory as well as office premises. The Company has also ensured that Company's factories and offices are sanitized at regular interval to safeguard its worker/ employees. The company also arranged vaccination camps at the factories as well as offices so that all the workers and employees get vaccinated. The total permanent employee's strength of the Company was 10133 as on 31st March, 2022. The industrial relation continued to remain cordial during the year.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The SEBI LODR (Listing Obligation and disclosure requirements) (Amendment) Regulations, 2018 has mandated that Company should provide detail of Significant Changes in Key Sector Financial ratios. We would like to inform you that in the following key financial ratios, there have been Significant Change as compared to the last year:

Particulars	Financial Year 2021-22	Financial Year 2020-21
INVENTORY TURNOVER (in Times)	4.02	3.04
INTEREST COVERAGE RATIO (in Times)	4.41	2.06
CURRENT RATIO (in Times)	1.56	1.24
DEBT EQUITY RATIO (in Times)	0.63	1.20
OPERATING PROFIT MARGIN RATIO	24.09	10.97
NET PROFIT MARGIN RATIO	13.97	1.96

In spite of second wave of covid-19 and during the first quarter of the year, company has been able to put up a excellent performance during the year under review. The change in the inventory ratio is due to higher sales. Interest coverage ratio and current ratio have improved due to better profitability and better sales realisation. Debt equity ratio has improved due to better profitability and increase in OCI. Operating Profit Margin Ratio and Net Profit Margin Ratio has improved due to better profitability and sales realisation as compared to the previous year.

Cautionary Statement

Though the statement and views expressed in the above said report are on the basis of best judgment but the actual future results might differ from whatever is stated in the report.

FOR AND ON THE BEHALF OF THE BOARD

PLACE: LUDHIANA
DATED: 23rd July, 2022

JAWAHAR LAL OSWAL
(CHAIRMAN)
(DIN: 00463866)

Annexure VII

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1.	Corporate Identity Number (CIN) of the Listed Entity	L17115PB1980PLC004341
2.	Name of the Listed Entity	Nahar Spinning Mills Limited
3.	Year of incorporation	1980
4.	Registered Office Address	373, Industrial Area-"A", Ludhiana, Punjab-141003
5.	Corporate Office Address	373, Industrial Area-"A", Ludhiana, Punjab-141003
6.	E-mail id	secnsm@owmnahar.com
7.	Telephone	91-161-2600701 to 705
8.	Website	www.owmnahar.com
9.	Financial Year for which Reporting is being done	2021-22
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd & National Stock Exchange of India Limited
11.	Paid-up Capital	Rs.1803.26 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Brij Sharma Company Secretary and Compliance officer E-mail Address: secnsm@owmnahar.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on a standalone basis

II. Products/Services:

14. Detail of Business activities (accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacture and Export of yarns and knitted garments	100 %

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Textile	131	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	8	1	9
International	--	--	--

17. Markets served by the entity:

a. Number of locations:

Locations	Number
National (No. of States)	12
International (No. of Countries)	35

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of the total turnover of the entity is 60% approx.

c. A brief on types of customers:

For export of its product, company is working Directly as well as through Agents with the overseas customers. In the domestic market the company is supplying its products to reputed Big Corporate and Medium customers in the knitted/weaving/garments and customers manufacturing terry towels, bed linen, denim, bottom weight, shirting and furnishing fabrics.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Employees:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	1641	1593	97	48	3
2.	Other than Permanent (E)	--	--	--	--	--
3.	**Total employees (D + E)**	1641	1593	97	48	3

Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	8492	5823	69	2669	31
2.	Other than Permanent (E)	--	--	--	--	--
3.	**Total employees (D + E)**	8492	5823	69	2669	31

b. Differently abled Employees and workers:

Employees:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	02	02	100	--	--
2.	Other than Permanent (E)	--	--	--	--	--
3.	**Total employees (D + E)**	02	02	100	--	--

Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	21	16	76	5	24
2.	Other than Permanent (E)	--	--	--	--	--
3.	**Total employees (D + E)**	21	16	76	5	24

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors *(including MD)*	10	1	10
Key Management Personnel	3	--	--

20. Turnover rate for permanent employees: (Disclose trends for the past 3 years)

	FY 2021- 2022			FY 2020-2021			FY 2019-2020		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16%	39%	16%	13%	26%	13%	13%	21%	14%
Permanent Workers	39%	42%	40%	35%	42%	37%	34%	43%	37%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding / subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	Nil	N.A.	Nil	N.A.

VI. CSR Details:

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover - Rs. 3593.86 (Crores)
(iii) Net worth - Rs.1586.92 (Crores)

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-2022			FY 2020-2021		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes whistleblowernsml@owmnahar.com	NIL	NIL	-	NIL	NIL	-
Investors (other than shareholders)	Not Applicable						
Shareholders	Yes (gredressalnsml@owmnahar.com)	NIL	NIL	-	NIL	NIL	-
Employees	Yes whistleblowernsml@owmnahar.com	NIL	NIL	-	NIL	NIL	-
Customers	Yes whistleblowernsml@owmnahar.com	NIL	NIL	-	NIL	NIL	-
Value Chain Partners	Yes whistleblowernsml@owmnahar.com	NIL	NIL	-	NIL	NIL	-

24. Overview of the entity's material responsible business conduct issues

The material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as under:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	The company is making use of solar power plant at its spinning unit and is helping in sustaining the environment. Besides the company is using clean/ green energy as it has installed boilers with bio mass fuels.	Opportunity	To get uninterrupted and Clean Energy. The company is making use of Roof top Solar Power Plant to save on electricity cost.	NA	The solar power and clean and Green energy is helping the company in saving on electricity cost and also helps in saving the environment.
2.	Supply of Good quality raw cotton at reasonable prices.	Risk	The raw cotton is the main raw material for the manufacturing of yarns but it is dependent on the forces of nature i.e. Monsoon. Any change in the monsoon may impact the cotton crop, prices as well as the farming community.	In order to run the plants for the full year, the company tries to procure the Raw cotton during the seas on and in case of emergency times tries to import the raw cotton from the overseas countries.	It can affects company's financial performance
3.	Environmental Footprint -Water management	Risk	Water scarcity can impair the company's operations and disrupt business.	Employee education for saving water and making efficient use of water in units, Rain water harvesting, recycling of waste water	Negative
4.	Environmental Footprint - Waste management	Risk	Inadvertent non-compliance to existing and emerging regulations around recycling and the circular economy can result in economic penalties and reputation damage.	Reduction in waste generation,maximization of recycling and reuse.	Negative
5.	Corporate Governance – Board oversight, Conflict of Interest, Ethics, Risk and Compliance, Succession Planning	Risk	Effective compliance to the corporate governance is core to achieving the organization's mission and goals. The non compliance of SEBI (LODR) Regulations,2015 and other rules and regulations can undermine stakeholder trust, damage reputation and disrupt business.	Kindly Refer Annexure-V to the Board's report for the annual report on Corporate Governance	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1 Business should conduct and govern themselves with Ethics, Transparency and Accountability

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3 Businesses should promote the wellbeing of all employees

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

P5 Businesses should respect and promote human rights

P6 Business should respect, protect, and make efforts to restore the environment

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8 Businesses should support inclusive growth and equitable development

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	The polices are available on the company's website i.e. www.owmnahar.com under the head "Policies"								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fair trade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• Control Union Certification of GOTS, OCS & GRS • BCI Certification • Fair Trade • Oeko-Tex Certification • ISO-9001/14001 • BEPI • HIGG								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	N	N	N	Y	N	N	N
6. Performance of the entity against the specific commitments, goals and targets along -with reasons in case the same are not met.	NA	NA	NA	NA	NA	Y[1] (See Note)	NA	NA	NA
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements: These days success of business is not only measured in financial term, but also whether business has integrated ESG (Environmental, Social and Governance) into their business as well. The business can succeed and sustain its good performance, if our society thrives. Your company is committed to make the business truly sustainable and socially responsible and is focusing to address diverse social and environmental challenges by taking steps on Environmental issue, Waste Recycling, Health & Safety, Ethics & Governance. The company support and promote community development and environment protection.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies).	Name: Mr. Dinesh Oswal Designation: Managing Director DIN: 00607290								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The company does not have any specified committee of the board. However the Board of Directors of the company is responsible for managing the sustainable issues of the company.								

Note: Y[1]

- The company goal is to use maximum solar power in its spinning units. Accordingly the company has installed 2800 K.W roof top solar power plant at its spinning units Mandideep in April 2022. Thus the total installed capacity of Rooftop solar plant stands increased to 5554 K.W. The solar power is generating green energy and also resulting in saving of electricity cost.
- The Company has also replaced Spinning machineries of Low efficiency, low productivity old generation machines with high efficiency, high productive State of Art machines with the investment of Rs.28 Cr in FY 2021-22.This has enable the company in saving energy as well as costs.
- The Company upgraded its Humidification Plant with High efficiency Motor, Pumps and Fans for better performance and reduced energy consumption in FY 2021-22
- The Company is continuously monitoring Compressed air Consumption by redeeming Leakage of Machines so that it can save on energy.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	The reviews are undertaken whenever there is change in laws and policies but atleast once in a year.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Board of Directors reviews the Statutory Compliances on applicable laws.									Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	N	N	N	N	N	N	N	N	N

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:
The company has voluntarily decided to submit the Business Responsibility and Sustainability Report for the financial year 2021-22. The company may consider independent assessment/ evaluation of the working of its policies by an external agency in the coming years, if necessary.

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Governance:

The Company continues to practice the principle of good Corporate Governance. It is Company's firm belief that good CORPORATE GOVERNANCE is a key to success of business. The Company believes in the conduct of the affair in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior in the organization. The Company has a Code of Conduct for its Directors, Senior Management Personnel. Their affirmation to the Code of Conduct is communicated to all stakeholders by Managing Director, through a declaration in the Annual Report. The Company's Employees also abide by the Code of Conduct, which prohibits abusive, corrupt and unfair practices.

The Company communicate about the access of information about any decision that may impact any of the relevant stakeholders and fairly discloses all necessary legal and financial disclosures and disseminates it to the stakeholders through the Stock Exchanges, Company's website, Annual Report, Newspapers, etc. To ensure accountability and monitoring, the Board has constituted various committees such as the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee. These committees meet periodically during the year to supervise, review performance and advice for corrective direction.

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information:

The Company has established a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and is cognizant of its responsibility towards protecting and maintaining the confidentially and disclosure of price-sensitive information in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information not only conforms to the regulatory requirements but also instils a sense of responsibility among the designated persons for protecting and maintaining confidentiality.

Grievance redressal mechanism:

The Company has effective grievance redressal mechanism for receiving and dealing with the concerns, complaints of its stakeholders. The buyer / consumers can raise their concerns through emails, call or personal meetings. The Committee on Prevention of Sexual Harassment (POSH) addresses all sexual harassment complaints. The Company has received no complaints on sexual harassment during the reporting year. The company has designated email id gredressalnsml@owmnahar.com for receiving and addressing investor grievances.

<table>
<tr><th colspan="4">Essential Indicators</th></tr>
<tr><td colspan="4">1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:</td></tr>
<tr><td>Segment</td><td>Total number of training and awareness programs held</td><td>Topics / principles covered under the training and its impact</td><td>% age of persons in respective category by the awareness programs</td></tr>
<tr><td>Board of Directors</td><td colspan="3">The Directors of the Company are briefed on the sustainability initiatives of the Company from time to time. The Directors are also updated on changes in the corporate and industry scenario including those pertaining to statutes/legislation & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.</td></tr>
<tr><td>Key Managerial Personnel</td><td colspan="3" rowspan="3">The Company periodically updates and familiarises employees on the following:
1. The company’s Code of Conduct which covers aspects such as Corporate Governance & Good Corporate Citizenship
2. Whistleblower Policy of the Company</td></tr>
<tr><td>Employees other than BoD and KMPs</td></tr>
<tr><td>Workers</td></tr>
<tr><td colspan="4">2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website:</td></tr>
</table>

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	NIL	NA	NA	NA	NA
Settlement	NIL	NA	NA	NA	NA
Compounding fee	NIL	NA	NA	NA	NA

Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	NIL	NA	NA	NA
Punishment	NIL	NA	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	**Name of the re-enforcement agencies/ judicial institutions**
NOT APPLICABLE	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The entity does not have any specific anti-corruption or anti-bribery policy, however the company has code of conduct for its Directors, Key Managerial Personnel and Senior Management Personnel. Their affirmation to the code of conduct is communicated to all stakeholders by Managing Director, through a declaration in the Annual Report. The company's employees also abide by the code of conduct, which prohibits corrupt and unfair practices.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: Nil

6. Details of complaints with regard to conflict of interest:

	FY 2021-22		**FY 2020-21**	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	N.A	Nil	N.A
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	N.A	Nil	N.A

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable

Leadership Indicators		
1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:		
Total number of awareness programmes held	**Topics / principles covered under the training**	**%age of value chain partners covered (by value of business done with such partners) under the awareness programmes**
NIL	NIL	NIL

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) - If Yes, provide details of the same.

The company is engaged in the manufacturing and exports of textile products i.e. yarns and knitted garments to several countries of the world. The working and systems being followed by the company are such that conflict of interest involving member of the Board and KMPs does not arise. The Directors of the Company are required to disclose to the Board, on an annual basis, whether they, directly or indirectly or on behalf of third parties, have any material interest in any transaction or matter directly affecting the Company. Moreover, the company has code of conduct for its Directors, Senior Management Personnel which helps in avoiding the conflict of interest.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE:

The Company continued its efforts to adopt more sustainable raw material and process to expand the offering of sustainable products. Emphasis is given on manufacturing sustainable products like 100%, organic cotton yarn and BCI yarn. The Company has a dedicated, experienced design team comprising of professional closely tracking the global trend.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

   The company has R&D department in its all units. Expenditure including capital expenditure toward R&D is about 0.25% of total Turnover.

2. a. **Does the entity have procedures in place for sustainable sourcing:** Yes

   b. **If yes, what percentage of inputs were sourced sustainably?**

   - The Company is using sustainable fibres like cotton, organic cotton, fair trade cotton, BCI cotton, recycled Polyester, liva (viscose), modal, tencil and bamboo fibre. We have consumed more than 50% sustainable fibre of the total fibre consumed.
   - The Company ensures that the dyes and chemicals in dye house are Azo free, NPEO and APEO phenyls, formaldehyde free.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   - For a few varieties of Mèlange Yarn products, 20-25% usable waste is used, which is acceptable to the market.
   - For open End yarns 40-60% useable waste is used which is acceptable to the market.
   - ETP sludge is being dried and sent to Ramky Enviro Engineers Limited (Unit – Punjab Waste Management Project) in notified place, at Village Ninbuva, Tehsil Derabassi, Distt. Mohali, Punjab for safe disposal of sludge.
   - Waste water is treated and recycled back into process for resource conservation
   - Plastic (including packaging) is sold to the buyer approved by the State Pollution Control Board.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   The company is responsible for safe disposal of the waste generated during production process. For this purpose the company has signed agreement with the agencies approved by the State Pollution Control Board for disposal of ETP sludge and E waste. The plastic waste is also sold to buyers approved by the State Pollution Control Board.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)If yes, provide the web-link.
			Not		

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product /Service	Description of the risk /concern	Action Taken
Yarns and Garments	N.A	N.A

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).
Raw Material used during the year 143583.89 M.Ton in value terms amount is Rs. 2166.58 crore. The waste reused during the year: 5124.896 M.Ton and in value terms the amount is Rs.72.02 crores. Thus in quantity terms the percentage is 3.56% and in value terms percentage is 3.32%.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:
Not Applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Beyond Balance Sheet lies Company's singly biggest Asset Human Resources. The Company is of firm belief that the Human Resources are the driving force that propels a Company towards progress and success. The Company continued its policy of attracting and recruiting the best available talent so that it can face business challenges ahead. The Company also offers attractive compensation packages to retain and motivate the professionals so that they can give their best.

The Company's continuous endeavor is to provide a safe, productive and positive environment for our employees that are free from any form of discrimination, including but not limited to sexual harassment. The company always supports its workforce so that they can maintain a healthy work-life balance and develop their professional as well as personal skills.

The Company endeavors to provide equal opportunity to each individual by evaluating him/her on its performance and ensure that there is no discrimination amongst its employees based on caste, creed, religion, disability, gender, age, sexual orientation, race, colour, ancestry, marital status and medical background. The Company has received no complaints related to Sexual harassment, Discriminatory employment, Child labour, Forced labour or any form of involuntary work.

<table>
<tr><th colspan="12">Essential Indicators</th></tr>
<tr><td colspan="12">1. a. Details of measures for the well-being of employees:</td></tr>
<tr><td rowspan="3">Category</td><td colspan="11">% of employees covered by</td></tr>
<tr><td>Total (A)</td><td colspan="2">Health Insurance</td><td colspan="2">Accident Insurance</td><td colspan="2">Maternity Benefits</td><td colspan="2">Paternity Benefits</td><td colspan="2">Day Care Facilities</td></tr>
<tr><td></td><td>Number (B)</td><td>% (B/A)</td><td>Number (C)</td><td>% (C/A)</td><td>Number (D)</td><td>% (D/A)</td><td>Number (E)</td><td>% (E/A)</td><td>Number (F)</td><td>% (F/A)</td></tr>
<tr><td colspan="12">Permanent Employees</td></tr>
<tr><td>Male</td><td>1593</td><td colspan="2" rowspan="3">Covered through ESI and some employees who are exempted from ESI are getting medical allowances</td><td>1593</td><td>100</td><td colspan="2">Covered through ESI</td><td colspan="2" rowspan="3">N.A.</td><td colspan="2" rowspan="3">Have creches in all units</td></tr>
<tr><td>Female</td><td>48</td><td>48</td><td>100</td><td colspan="2">Maternity Leave (with Full Salary) for 6 months)</td></tr>
<tr><td>Total</td><td>1641</td><td>1641</td><td>100</td><td colspan="2"></td></tr>
<tr><td colspan="12">Other than Permanent Employees</td></tr>
<tr><td>Male</td><td colspan="11" rowspan="3">N.A.</td></tr>
<tr><td>Female</td></tr>
<tr><td>Total</td></tr>
</table>

Other than Permanent Employees/Workers	violation of the Code of Conduct or ethics policy, to come forward and express their concerns without fear of punishment or unfair treatment. • The company has also established Grievance Committee. The employees and workers can address their grievances to the committee. • The company has placed complaint boxes in the company's units at prominent places and employees and workers can also use complaint box in case of any kind of complaint. • The company has set up open door policy under which any worker or staff member can approach Production head or Labour Welfare Officer or Vice President (Personnel) and can raise their concerns or complaint.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2021-22			FY 2020-21		
	Total employees / workers in respective category (A)	**No. of employees /workers in respective category, who are part of association(s) or Union (B)**	**% (B / A)**	**Total employees /workers in respective category (C)**	**No. of employees/ workers in respective category, who are part of association(s) or Union (D)**	**% (D / C)**
Total Permanent Employees	There is no such Association/Union					
- Male						
- Female						
Total Permanent Workers						
- Male						
- Female						

8. Details of training given to employees and workers:

During the year under review, the Company has conducted various training programs, designed to meet the changing skill requirements of our employees/workers. These programs include:

- Fire Fighting Drills,
- First+ Aid Training,
- Use of PPE's Training,
- Health & Safety Training,
- Ergonomic Training,
- Chemical Handling Training.
- Besides orientation programs for new employees and various programs for skill-enhancing are also conducted by the company. For mid -level and senior level executives management development program are also conducted to upgrade their knowledge and management skills.

9. Details of performance and career development reviews of employees and workers:

The company provides performance and career development reviews to all eligible employees and workers.

10. Health and safety management system:

A. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Keeping in view the nature of the industry, the company has well defined Occupational health and Safety Policy and supporting processes to ensure the safety and well being of its employees and workers. The company has Health and Safety Committee. The Meeting of the committee is held once in every 3 months by Elected Members, Management Representative and Workers for educating them on health and safety systems. Moreover workshops/training program conducted on skill development.

B. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

2021-2022

The company is engaged in the manufacturing

Leadership Indicators				
1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N): Yes				
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. The company educates the value chain partners so that they deduct statutory dues and deposit with the Authority as per applicable laws, rules and regulations. In case of any difficulty by the value chain partner they can approach the company for help.				
3. Provide the number of employees having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:				
	Total no. of affected employees/ workers		**No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**	
	FY 2021-2022	**FY 2020-2021**	**FY 2021-2022**	**FY 2020- 2021**
Employees	Nil		Nil	
Workers				
4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No): The company has no transition assistance program. However the company's continued skill development and up gradation during their working career helps the employees/workers in their employment after retirement.				
5. Details on assessment of value chain partners:				
	% of value chain partners (by value of business done with such partners) that were assessed			
Health and safety practices	Nil			
Working Conditions	Nil			
6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. Not Applicable				

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has mapped its internal as well as external stakeholders to deepen its insights into their needs and expectations and to develop sustainable strategies for the short, medium and long term. Key stakeholders identified by the Company are Shareholders/Investors, Government and Regulators, Employees, Customers and Suppliers.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board) Other	Frequency of engagement (Annually, Half yearly, Quarterly, others- please specify)	Purpose and scope of engagement including key topic and concerns raised during such engagement
Shareholders/Investors	No	The company interacts with Shareholders/ Investors through Financial results announcement, Annual Reports and Meetings. The company's website is updated regularly to provide information to them. The Annual General Meeting provides them opportunity to interact directly with the Directors and Management of the company.	As per the requirement and in compliance of Laws and Regulations applicable to company.	• The company is educating investors regarding company's model and wealth creation. • Understanding investors expectations • Resolving investors concerns regarding company's policies, strategy etc.

Government and Regulators	No	Email, E filling Newspaper, Advertisement, Website	The company meets/interacts with the government authorities as and when required during the course of its business.	• Communicate Company's performance and ensure 100% compliance to Rules and Regulations applicable to the company. • Maintain Statutory Records as per the requirement of the laws applicable to the company.
Employees/Workers	No	Video conferences, Audio conference calls, Inter office memos, one- on-one counseling, Email, Website, Meetings	The company engages with its employees/workers on regular basis.	• To boost their morale and motivate them to perform in their work. • Compensation structure • Building a safety culture and inculcating safe work practices among workers/employees. • Provide equal opportunities to them • To nurture talent and develop their creativity.
Customers	No	Email, Customer visits, Brochures, Advertisements, website, Calls, Surveys	The company's sale staff/marketing staff meets them as per the requirement on regular basis.	• Understanding consumer behavior and their needs/requirements regarding quality and usefulness of the company's products.
Suppliers	No	Meetings/Calls, Email, Visits, Email, Website	The company meets its supplier as per the needs/requirement.	• To know about their ability and financial strength for regular supply of material in time and without any interruption. • To develop Stronger Partnership • Ethical Behaviour

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The consultation with stakeholders on Economic, Environmental, and Social topics has been delegated in the organization to the departments who are responsible for engaging with stakeholders on continuous basis. The feedback of the department is shared with the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   The consultation with the stakeholders always helps the company in devising company's policy on economic, environmental, and social topics.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company tries to identify the disadvantaged, vulnerable and marginalized stakeholder groups through need assessment and engage with such marginalized communities through CSR Activities. The Company is committed to the welfare of disadvantaged, vulnerable and marginalized section of the society. The Company through self and in association with M/s Oswal Foundation has taken special initiatives for the benefit of local communities and other disadvantaged and marginalized stakeholders. The Company's endeavour is to help them in Healthcare, Education, and Sustainable Livelihood etc. All the projects undertaken CSR activities are based on the needs of the communities. The Company's vision, in a nutshell, epitomizes inclusive growth and dignifying the lives of the underprivileged.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

The Company advocates the supremacy of Human Rights, and all its policies acknowledge the same principle. Your Company's human rights policy recognizes the following priority issues:

Compliance with applicable labour laws, zero tolerance to the child, forced or compulsory labour in operations and supply chains, equal opportunity, provide opportunities for all employees to express concerns and seek redressal, health and safety of our employees. No complaints were received regarding human rights violation during the financial year under review.

Essential Indicators

1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2021-2022			FY 2020-2021		
	Total (A)	No. of employees, workers covered (B)	% (B/A)	Total (C)	No. of employees, workers covered (D)	% (C/D)
Employees						
Permanent	1641	1641	100	1647	1647	100
Other than Permanent	_	_	_	_	_	_
Total Employees	1641	1641	100	1647	1647	100
Workers						
Permanent	8492	8100	95	9334	8961	96
Other than Permanent	_	_	_	_	_	_
Total Workers	8492	8100	95	9334	8961	96

2. Details of minimum wages paid to employees in the following format:

Category	FY 2021-2022					FY 2020-2021				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent	1641	51	3	1590	97	1647	54	3	1593	97
Male	1593	48	3	1545	97	1615	49	3	1566	97
Female	48	_	_	48	100	32	_	_	32	100
Other than Permanent	NIL									
Male										
Female										
Workers										
Permanent	8492	5265	62	3227	38	9334	6440	69	2894	31
Male	5823	4134	71	1689	29	6068	4368	72	1700	28
Female	2669	2002	75	667	25	3266	2483	76	783	24
Other than Permanent	NIL									
Male										
Female										

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
*Board of Directors (BoD)	9	40000	1	40000
**Key Managerial Personnel	3	2883920	–	–
***Employees other than BoD and KMP (including workers)	10133	138300		

** Board of Directors are being paid Rs. 10,000 for attending Board meeting.*
***Remuneration of MD has been included in KMP.*
****The total data inclusive of male and female. Seperate data for female is not available for this respective year.*

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the company has appointed Vice President (personnel) and Labour Welfare Officers who are responsible for addressing the human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company has formulated and adopted Vigil Mechanism/Whistle Blower Policy for its directors and employees/workers and value chain partners. The aim of the policy is to provide a channel to the directors and employees/workers to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct and human right issues. Reporting avenues have been provided for company's employees, customers, suppliers and other stakeholders who can raise concerns or make disclosures when they become aware of any actual or potential violation of the Company Code, policies or law including human rights violation. Representations made in the reporting avenues are reviewed and appropriate action is taken on violations.

6. Number of Complaints on the following made by employees:

	FY 2021-22			FY 2020-21		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human Rights related issues	0	0	NA	0	0	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

All complaints can be made without fear of reprisal and with the assurance that the Company will stand by you. The company does not tolerate any form of retaliation against anyone reporting good faith concerns. Anyone involved in targeting such a person raising such complaints is liable for disciplinary action. The company has formulated and adopted Vigil Mechanism/Whistle Blower Policy for its directors and employees/workers to prevent adverse consequences to the complainant in discrimination and harassment cases. In Exceptional circumstances, the complainant can also approach to the chairman of Audit Committee.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

The Company always advocates the supremacy of Human Rights.

9. Assessments for the year:

	% of your offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Regular audits are conducted by third parties on request of overseas buyers to whom the company is supplying its product. Moreover, the company also has internal systems for monitoring compliance of all relevant laws and policies pertaining to these issues. No adverse observation was observed during the financial year 2021-22.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above: Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

The company is committed to providing a safe and positive work environment. This is achieved through a well-established Grievance Resolution Mechanism. The Company advocates the supremacy of Human Rights and all its policies acknowledge the same in principle and spirits.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company's Human rights policy recognizes the following priority issues:

- Labour laws,
- Zero tolerance to the child, forced or compulsory labour in operations and supply chains,
- Equal opportunity for all employees,
- Provide opportunities for all employees to express concerns and seek redressal,
- Health and Safety of our employees/workers/staff.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

All the offices and workplace are accessible to differently abled visitors as per the requirement of Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	At different intervals, GAP, Ralph Lauren, Inditex, C&A and H&M (value chain partners) made assessment of the issue relating to Child labour, Forced/involuntary labour etc. but no adverse observations was made by them during the course of assessment.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:

Not applicable

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

As a responsible corporate entity, company is fully aware of its obligation and responsibility to maintain highest standard of Environmental Management, as the climate changes and Global Warming are posing great threat to the global environment and to the Human kind.The company uses multiple energy sources in its daily operations and electricity being the primary source. The company has increased the share of renewable electricity (RE) over the years through Rooftop solar generation. The Company has set up three Roof top solar plants at its Spinning Units at different location in the state of Punjab and Madhya Pardesh.

Parameter	**FY 2021-22**	**FY 2020-21**
Total electricity consumption (A) own generation (Turbine + FO)	19083779	11764303
Total fuel consumption (B) (M.Ton)	603511	82250
Energy consumption through other sources (C) (Electricity Board + Solar)	410561481	359121163
Total energy consumption (A+C)	**429645260**	**370885466**
Energy intensity per rupee ofturnover *(Total energy consumption/turnover in rupees)*	0.011	0.017
Energy intensity *(optional)* – the relevant metric may be selected by the entity	NA	NA
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	The independent assessment/ evaluation/Energy Audit has been carried out by Namdhari Eco Energy Pvt. Ltd.	

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

All the four spinning units are registered in PAT scheme and have positive Ecerts:

- Rishab Spinning Mills – Village Jodhan – Ludhiana got 1st position in the state level Energy Conservation Award competition in the year 2018, for energy conservation during the years 2015-16 and 2016-17.
- Rishab Spinning Mills – Village Jodhan -Ludhiana got National Energy Conservation Award from Ministry of Power , New Delhi in the year 2008, 2009 and 2019.
- Nahar Spinning Mills – Village Lehli – Lalru (Pb.) got 1st position in the state level Energy Conservation Award competition in the year 2018 -19 and 2nd Position in 2019-20.

3. Provide details of the following disclosures related to water, in the following format:

The company optimizes water consumption through conservation, sewage treatment and reuse, and rainwater harvesting. All units have been designed for higher water efficiencies, recycling and treatment of sewage, and rainwater harvesting. The detailed break up is given below:

(in Kiloliters)

Parameter	FY 2021-22	FY 2020-21
Water withdrawal by source		
(i) Surface water	Nil	Nil
(ii) Groundwater	2406152	2033274
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (i + ii + iii + iv + v)	**2406152**	**2033274**
Total volume of water consumption	2406152	2033274
Water intensity per lakh rupee of turnover *(Water consumed / turnover)*	6.70	9.63
Water intensity *(optional)* – the relevant metric may be selected by theentity	NA	NA
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an externalagency? (Y/N) If yes, name of the external agency.	No independent assessment/ evaluation has been carried out by an external agency related to water consumption. However the company make assessment/ evaluation of water consumption internally.	

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The company has total Six sewage treatment plants in four Spinning units with a total capacity of 1650 K.L / day. The discharged water of these plant is used for horticulture and gardening. The company has installed 600 KLD Zero Liquid Discharge System in its spinning unit at Mandi deep (Madhya Pradesh). It is two stage system, Ultra filtration Membranes followed by R.O Membranes after treating the sewage water in STP. The treated water is used in Humidification plant of the Mill.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

The Company has a biomass captive power plant in one of its unit, the plant is registered under clean development mechanism.The analysis of emission given below:

Parameter	*Please specifyunit*	FY 2021-22	FY 2020-21
NOx	Mg/Nm^3	42.7	46.8
SOx	Mg/Nm^3	BDL	BDL
Particulate matter (PM)	Mg/Nm^3	83.7	85.6
Persistent organic pollutants (POP)	Nil		
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others-Carbon Monoxide Percentage		<1	<1
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by anexternal agency? (Y/N)	Yes, it is monitored on regular basis by external agencies like SPCB, SIMA Lab-Delhi.		

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	*Unit*	FY 2021-22	FY 2020-21
Total Scope 1 emissions (Break-up of the GHG intoCO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnesof CO2 equivalent*	Nil	
Total Scope 2 emissions (Break-up of the GHG intoCO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnesof CO2 equivalent*		
Total Scope 1 and Scope 2 emissions per rupee of turnover			
Total Scope 1 and Scope 2 emission intensity *(optional)* – the relevant metric may be selected by the entity			
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

- The company has installed 2800 K.W roof top solar power plant at its spinning units Mandideep in April 2022. Thus the total installed capacity of Rooftop solar plant stands increased to 5554 K.W. The solar power is generating green energy and also resulting in saving of electricity cost.
- All four spinning units are registered in PAT scheme and have positive Ecerts.
- Rishab Spinning Mills – Village Jodhan – Ludhiana got 1st position in the state level Energy Conservation Award competition in the year 2018 for energy conservation during the years 2015-16 and 2016-17.
- Rishab Spinning Mills – Village Jodhan – Ludhiana got National Energy Conservation Award from Ministry of Power , New Delhi in the year 2008, 2009 and 2019.
- Nahar Spinning Mills – Village Lehli – Lalru (Pb.) got 1st position in the state level Energy Conservation Award competition in the year 2018 -19 and 2nd Position in 2019-20.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2021-22	FY 2020-21
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	–	–
E-waste ***(B)***	–	–
Bio-medical waste ***(C)***	–	–
Construction and demolition waste ***(D)***	–	–
Battery waste ***(E)***	–	–
Radioactive waste ***(F)***	–	–
Other Hazardous waste. Please specify, if any. ***(G) M.Ton***	439	273
Other Non-hazardous waste generated ***(H).*** *Please specify, if any.* (Break-up by composition i.e. by materials relevant to the sector)- Textile Waste (M.Ton)	44936	36808
Total (A+B + C + D + E + F + G + H)	**45375**	**37081**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	–	–
(ii) Re-used **M. Ton**	5451	5125
(iii) Other recovery operations	–	–
***Total (*M. Ton)**	**5451**	**5125**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	–	–
(ii) Landfilling	–	–
(iii) Other disposal operations(Sold to local buyers)	37665.581	30373.227
***Total (*M. Ton)**	**37665.581**	**30373.227**
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No independent assessment/ evaluation has been carried out by an external agency related to waste management. However the company make assessment/evaluation of waste management internally.	

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Hazardous waste is being kept in a separate room/ place as per guidelines of State Pollution Control Board. Such waste is disposed off only through the firms authorized by the State Pollution Control Board for the purpose. There are two categories of Non hazardous waste

- Useable waste of raw cotton which is used in same process as raw material.
- Saleable waste of raw cotton and fabric which is sold to the local buyers who use it to make courser yarn and to fill mattresses etc.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)If no, the reasons thereof and corrective action taken, if any.
Not applicable, as no spinning/garment unit of the company is situated in and around ecologically sensitive areas.		

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

The company is in compliance with the applicable environmental law / regulations / guidelines in India. No fine/penalty/action was initiated against the entity under any of the applicable environmental laws/regulation/guidelines.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulator y agencies such as pollution control boards or by courts	Corrective action taken, if any
NIL				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2021-22	FY 2020-21
From renewable sources		
Total electricity consumption (A)	16698990	11742960
Total fuel consumption (B) (M.Ton)	13209	10697
Energy consumption through other sources (C)	17856525	14307779
Total energy consumed from renewable sources (A+C)	**34555515**	**26050739**
From non-renewable sources		
Total electricity consumption (D)	2384789	21343
Total fuel consumption (E) (M.Ton)	590302	71553
Energy consumption through other sources (F)	392704956	344813384
Total energy consumed fromnon-renewable sources (D+F)	**395089745**	**344834727**
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	The independent assessment/ evaluation/ Energy Audit has been carried out by Namdhari Eco Energy Pvt. Ltd.	

Water intensity *(optional)*- the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	618632	470232
- No treatment		
- With treatment – please specify level of treatment	As per norms of respective SPCB	
(ii) Into Groundwater	NIL	
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater	NIL	
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	NIL	
- No treatment		
- With treatment – please specify level of Treatment		
(v) *Others	487382	441971
- No treatment		
- With treatment – please specify level of treatment	As per norms of respective SPCB	
Total water discharged (in kilolitres)	**1106014**	**912203**
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an externalagency? (Y/N) If yes, name of the agency.	No independent assessment/ evaluation has been carried out by an external agency related to water consumption. However the company make assessment/ evaluation of water consumption internally.	

*For Horticulture and Gardening in Mills Premises.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	***Unit***	**FY 2021-22**	**FY 2020-21**
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	Nil	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity *(optional)* - the relevant metric may be selected by the entity			
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to

improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

- The company has installed 2800 K.W roof top solar power plant at its spinning units Mandideep in April 2022. Thus the total installed capacity of Rooftop solar plant stands increased to 5554 K.W. The solar power is generating green energy and also resulting in saving of electricity cost.
- The Company has also replaced Spinning machineries of Low efficiency, low productivity old generation machines with high efficiency, high productive State of Art machines with the investment of Rs.28 Cr in FY 2021-22
- The Company upgraded its Humidification Plant with High efficiency Motor, pumps and Fans for better performance and reduced energy consumption in FY 2021-22.

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   The company does not have any such plans for the present. However, the company is in discussion for delibrating in house business continuity and disaster management plan.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   No significant adverse impact envisaged from company's value chain.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts is not feasible to collect the information as this being the first year of the report.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   The Company is a member of six trade and chamber or association. The Company participates in the discussions, meetings and seminar organized by these associations and actively put forth its viewpoint on various policy matters and inclusive development policies. The Company utilizes these forums for pushing new policy initiatives

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S.No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Export Organizations (FIEO)	National
2	Apparel Export Promotion Council	National
3	Confederation of Indian Industry [CII]	National
4	The Cotton Textiles Export Promotion Council (TEXPROCIL)	National
5	The Synthetic and Rayon Textiles Export Promotion Council (SRTEPC)	National
6	Northern India Textile Mills Association (NITMA)	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

   The Company has not engaged in any anti-competitive conduct.

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

   The company focuses on developing and maintaining partnerships with relevant government officials, business organizations, industry associations, and community organizations for the purpose of developing mutually-beneficial partnerships.

S. No.	Public policy advocated	Method resorted for such advocacy available	Whether information available in public domain? (Yes/No)	Frequency of Web Review by Link, if Board (Annually/Half yearly/ Quarterly/ others-please specify
1	The company is member of industry association and the Company's Policy on Responsible Advocacy provides the framework for necessary interface with Government/ Regulatory Authorities	The Company works with apex industry institutions that are engaged in policy advocacy, like the Northern India Textile Mills Association, The Cotton Textiles Export Promotion Council, Synthetic And Rayon Textiles Export Promotion Council, Federation of Indian Export Organisations Undertakings, Apparel Export Promotion Council, Confederation of Indian Industry [CII]. The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and taking into consideration interests of all stakeholders.	For more details, refer to 'Report of the Board of Directors & Management Discussion and Analysis' section forming part of Annual Report of the company 2022.	-

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

As a responsible organization focused on inclusive growth, your Company has followed a proactive approach towards Corporate Social Responsibility (CSR). The Company has a detailed CSR policy in place, and the CSR activities are monitored by the Board appointed CSR committee. The company has been undertaking CSR projects through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. The key focus areas of Company's CSR programs are the promotion of education, preventive healthcare, rural development, skill enhancement, environment protection and other areas as defined in Schedule VII of the Companies Act, 2013.

The Company internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
None of the projects undertaken by the company in FY 2021-22 required Social Impact Assessments (SIA)					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NIL						

3. Describe the mechanisms to receive and redress grievances of the community.

The company undertakes interaction with the community to discuss, identify & address any issues, complaints or grievances of the community.The company has also dedicated email address i.e.

gredressalnsml@owmnahar.com for the purpose redressing grievances and complaint received from any investors and community. The grievances/complaints received through the said mail is being looked after by the compliance officer of the company so that the grievances/complaints resolved at earliest. During the financial year under review no complaints/grievances were received by the company pertaining to CSR related activities.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2021-22	FY 2020-21
Directly sourced from MSMEs / small producers	9.80%	9.68%
Sourced directly from within the district and neighboring districts	This information is not available for the current year as this being the first year of report and the company is trying to change the system to make the information available in the coming years.	

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
1.	Punjab	Ludhiana	53.91 Lakhs

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The company does not have any preferential procurement policy at present.

(b) From which marginalized /vulnerable groups do you procure? Not Applicable

(c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of Persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
	To meet its CSR obligation under section 135 of the companies Act, 2013 company is undertaking CSR activities in collaboration with the group companies through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. During the year company contributed of an amount Rs. 53.91 lakhs to oswal foundation for undertaking CSR Project under the health care through Mohan Dai Oswal Cancer Hospital & Research Foundation, Ludhiana. ***Refer Annexure-I to the Board's report for the annual report on CSR activities [Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.***	The whole community living in the state of Punjab, especially the city of Ludhiana and area nearby have benefitted from the company's CSR Project.	No record is collected as this being the first year of the report

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

The Company places its customers at the centre of all its business policies and conducts. The Company strive to continue growth by adopting national and international standards and embracing ethical means in harmony with the environment, ensuring customer delight, stakeholder trust and social responsibility.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company organizes buyer meets for better market research and customer service. Feedback is also taken by the management during the visit of Customers at the manufacturing facilities. Customers' satisfaction is the Company's primary goal, which motivates the Company to keep its products as per the consumer's requirements. To understand the customers better, the Company adopts several procedures including customer surveys, customer audits and direct feedback.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	The company is preparing Business Responsibility and Sustainability Report voluntarily for the first time for financial year 2021-22. As such the information can not be determined.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2021-22		**Remarks**	**FY 2020-21**		**Remarks**
	Received during the year	**Pending resolution at end of year**		**Received during the year**	**Pending resolution at end of year**	
Data privacy	**NIL**		**NA**	**NIL**		**NA**
Advertising						
Cyber security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

The company has not recalled its product on account of safety issues.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

This Cyber Security Policy is a formal set of rules by which people who are given access to company technology and information. The company has internal generated policy on cyber security and risks related to data privacy. The Policy serves several purposes. The main purpose is to inform company users: employees, contractors and other authorized users of their obligatory requirements for protecting the technology and information assets of the company. The Cyber Security Policy describes the technology and information assets that we must protect and identifies many of the threats to these assets. The Policy also describes the user's responsibilities and privileges and contains procedures for responding to incidents that threaten the security of the company computer systems and network. From a cyber security aspect, the company has implemented cutting edge security tools to protect itself from external as well as internal threats. The policy is being used internally and is not uploaded on company's website.

Implementation of Firewall throughout the Organization:

To prevent the network from the outside agencies, the company installed the firewalls throughout the group. Our

Network is not exposed to external agencies. The company has implemented the Security policies through this firewall. Given the limited access of the internet as per the business requirements. All Social sites are blocked to reduce the risk of vulnerability and compromisation of the resources. Access of all applications is through this firewall. Unauthorized person will not be able to access our network, applications etc. No Person can download & install the unauthorized software on their respective computers. On routine basis all infra is being monitored through the Firewall for the threat attacks & blocking of the PCs showing abnormal behavior based on certain parameters.

In case any Cyber security Attack/Threats/Notice is found the information is shared to the Senior Management/CEO and he will share such incident to our Business Partners, Vendors, Suppliers and Local Authorities or Government Agency.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:** Not Applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):**

   The information on company's products can be accessed though company's website i.e. www.owmnahar.com. Moreover, the companies share the said information through brochures/pamphlet, catalogue etc.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company arranges technical visits regularly to educate the customers where they find solution to their problems. Further, for outstation customers conference calls are organized to understand their requirements and try to meet the same.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   As the company is engaged in the manufacturing of yarns/garments business, no such mechanism is applicable to company.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

   The company display only mandated product information on cartons.

5. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes, the company undertakes telephonic survey with regard to consumer satisfaction relating to the products of our company

6. **Provide the following information relating to data breaches :**

   a. **Number of instances of data breaches along-with impact**

      During the financial year 2021-2022, no data breaches regarding customer privacy from outside parties etc. has happened.

   b. **Percentage of data breaches involving personally identifiable information of customers:** 0%

FOR AND ON THE BEHALF OF THE BOARD

PLACE: LUDHIANA
DATED: 23RD JULY, 2022

JAWAHAR LAL OSWAL
(CHAIRMAN)
(DIN: 00463866)

We have audited the accompanying financial statements of Nahar Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India(ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key matters to be communicated in our report.

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditors' report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance, If there is no material misstatement, we will not issue separate report in this regard.

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 35 the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Company during the year complies with Section 123 of the Act.

(c) The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NAHAR SPINNING MILLS LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NAHAR SPINNING MILLS LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that we are operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely

preparation of reliable financial information,as required under the Companies Act,2013.

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section143(10) of the Companies Act,2013 , to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion ,to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NAHAR SPINNING MILLS LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and based on the examination of records of the company, conveyance deed etc., we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for such class of inventory were noticed

(b) The Company has been sanctioned working capital limits in excess of 5 crore, in aggregate, during the year, from banks on the basis of security of current assets. The stock statements has been filed with banks by the company during the year are in agreement with books of accounts of the company. Except the following:-

Quarter ended	Particulars	Value as per quarterly statements given to Bank	Value as per Books	Difference	Reason for discrepancies
June-2021	Stock	67365	68279	914	Due to clerical mistake while preparing stock statement
June-2021	Debtors	26428	26709	281	----do--------

iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made and the terms and conditions of the investments, during the year are prima facie, not prejudicial to the Company's interest.

(c) The Company has not provided any loans or advances in the nature of loan, hence reporting under clause 3(iii)(c),(d),(e) and (f) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the cost records maintained by the company pursuant to the sub section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that prima facie, the prescribed records have been maintained. We have, however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

c. Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31,2022 on account of dispute are given below:

The Income TaxAct, 1961	Income Tax	CIT(A), Ludhiana	A.Y. 2011-2012	30.38
	Income Tax	CIT(A), Ludhiana	A.Y. 2015-2016	119.64
	Income Tax	CIT(A), Ludhiana	A.Y. 2016-2017	11.43
	Income Tax	CIT(A), Ludhiana	A.Y. 2012-2013	0.14
Central Excise Act, 1944	Excise Duty	High Court of Jabalpur	F.Y 2000-2003	17.47
The Customs Act,1962	Drawback	High Court of Jabalpur	F.Y 2006-2007	0.93
MP Commercial & Vat Act	Entry Tax	Appelate Tribunal	F.Y 2009-2010	2.94

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of

loans or other borrowings from any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanation given to us and based on examination of records of the company, the Company has applied the term loans for the purpose for which loans were obtained

(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The company has not any subsidiary, joint ventures or associate company, hence reporting under clause (ix)(e) and (f) is not applicable to the company

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) According to information and explanation given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been fled in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. The same is also not required to fle

(c) The management has represented us that no whistle-blower complaints has been received by the Company during the year (and upto the date of this report)

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.

(b) According to information and explanations given to us, there is one core investment company within the Group (as defned in the Core Investment Companies (Reserve Bank) Directions, 2016).

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Company has no unspent amount under CSR at the end of the financial year, hence reporting under clause 3(xx) (a) and (b) is not applicable to the company.

(Rs. in Lacs)

	NOTE NO		
a) Property, plant and equipment	1.1 (a)		71,627.08
b) Capital work-in-progress	1.1 (b)		2,766.28
c) Other intangible assets	1.2		12.48
d) Investment properties	1.3		759.56
e) Financial assets			
i) Investments	2.1		6,132.02
ii) Other financial assets	2.2		2,529.82
f) Other non-current assets	3		830.85
			84,658.09
a) Inventories	4		74,039.44
b) Financial assets			
i) Trade receivables	5.1		30,943.54
ii) Cash and Cash equivalents	5.2		106.09
iii) Bank balances other than (ii) above	5.3		69.62
iv) Other financial assets	5.4		68.31
c) Government grant receivable	6		1,341.92
d) Current tax assets (net)	7		1,028.19
e) Other current assets	8		27,951.79
			1,35,548.90
			2,20,206.99
a) Equity Share capital	9		1,805.31
b) Other equity	10		87,985.57
			89,790.88
a) Financial liabilities			
i) Borrowings	11.1		19,111.71
ii) Other financial liabilities	11.2		-
b) Deferred tax liabilities (Net)	12		2,295.62
c) Other non-current liabilities	13		-
			21,407.33
a) Financial liabilities			
i) Borrowings	14.1		88,275.01
ii) Trade and other payables	14.2		
---total Outstanding dues of micro enterprises and small enterprises			227.89
---total Outstanding dues of creditors other than micro enterprises and small enterprises			2,987.46
iii) Other financial liabilities	14.3		120.95
b) Other current liabilities	15		17,146.54
c) Provisions	16		250.93
			1,09,008.78
			2,20,206.99
Notes forming part of the Financial Statements	1-45		

As per our report of even date annexed

Chartered Accountants,
FRN 017800N

Partner
(M.No.553997)

Company Secretary | Chief Finance O f cer | Director | Managing Director

(Rs. in Lacs)

	NOTE NO.		Previous Year
I. Revenue from operations	17		2,11,186.75
II. Other Income	18		696.49
			2,11,883.24
III. Cost of materials consumed	19		1,32,433.06
Purchases of stock-in-trade	20		292.27
Change in inventories of finished goods, work -in-progress and stock in trade	21		(1,913.10)
Employee Benefit expense	22		19,002.96
Finance cost	23		6,526.17
Depreciation and amortisation expense	1		8,201.84
Other expenses	24		41,986.55
			2,06,529.75
V. Profit/(loss) before exceptional items and tax			5,353.49
VI. Exceptional items			
CSR expenses u/s 135 of Companies Act,2013			-
VII. Profit/(loss) before tax			5,353.49
VIII.Tax expense:	25		
(1) Current tax			-
(2) Deferred tax liabilities			1,212.00
IX. Profit/(loss) for the period from continuing operations			4,141.49
			3,792.17
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments			4131.81
Remeasurement of post-employment benefit obligations			164.69
Income tax relating to these items			(504.33)
Other comprehensive income for the year, net of tax			3,792.17
			7,933.66
	38		
Basic earnings per share			11.33
Diluted earnings per share			11.33
Notes forming part of the Financial Statements	1-45		

As per our report of even date annexed

Chartered Accountants,
FRN 017800N

Partner (M.No.553997)	Company Secretary	Chief Finance Officer	Director	Managing Director

(Rs. in Lacs)

			Previous Year
Net Profit Before Tax and Extra ordinary activities			5,353.49
Adjustments for :			
Depreciation		8,201.84	
Finance Cost		6,526.17	
Interest received		(182.10)	
Dividend Income		(47.93)	
Net Gain on Sale of Investments		(4.57)	
Profit/ Loss on sale of Fixed Assets/ subsidies adjustments		(118.94)	14,374.47
Operating Profit before Working Capital Changes			19727.96
Adjustment for:			
--Trade Receiveables		(3,783.67)	
--Inventories		(9,019.68)	
--Other financial assets		(1.96)	
--Other financial assets (Long Term)		(76.90)	
--Govt grant receivables		77.27	
--Other current assets		(14,560.47)	
--Provisions		354.67	
--Other current liabilties		4,511.67	
--Other non current liabilties		(1.12)	
--Other financial Liabilities		(13.36)	
--Other financial Liabilities (long Term)		(44.05)	
--Trade Payables		433.31	(22,124.29)
			(2,396.33)
Interest paid		(5,113.01)	
Direct Taxes Paid/adjusted		(1,021.69)	(6,134.70)
Net cash flow from operating Activities			(8,531.03)
Purchase of Fixed Assets		(5,150.06)	
Capital Work in Progress		(2,083.84)	
Sale of Fixed Assets		265.92	
Increase/Decrease in Other non current assets		1,196.30	
Sale of Investments		300.00	
Interest Received		182.10	
Dividend Income		47.93	
Increase in Investment		(77.27)	(5,318.92)
			(13,849.95)
Proceeds from Long Term Borrowings		4,836.58	
Repayment of Long Term Borrowings		(2,654.70)	
Incease/Decrease in Short Term Borrowings		500.00	
Increase/Decrease in Working Capital Limits		12,304.94	
Interest Paid		(1,413.16)	
Dividend Paid		-	
			13,573.66
			(276.29)
Opening Cash and Cash Equivalents and other bank balances			452.00
Closing Cash and Cash Equivalents and other bank balances			175.71

As per our report of even date annexed

Chartered Accountants,
FRN 017800N

Partner	Company Secretary	Chief Finance Officer	Director	Managing Director
(M.No.553997)				

(Rs. in Lacs)

Balance at the begning of the Financial year	1805.31
Changes in Equity Share Capital during the year	
Balance at the end of the Financial year	1805.31

	20,959.85	1,363.86	53,057.90	12,603.96	87,985.57
Proft / (Loss) for the year	-	-	-	50,218.77	50,218.77
Other comprehensive income (Net)	-	-	-	21,036.62	21,036.62
Dividend	-	-	-	(1,081.96)	(1,081.96)
Adjustment for income tax of earlier years	-	-	-	92.11	92.11
Transfer to General reserve	-	-	40,000.00	(40,000.00)	-

	20,959.85	1,363.86	53,057.90	4,726.67	80,108.28
Proft / (Loss) for the year	-	-	-	4,141.49	4,141.49
Other comprehensive income (Net)	-	-	-	3,792.17	3,792.17
Adjustment for income tax of earlier years	-	-	-	(56.37)	(56.37)

1	**Nahar Capital and financial Services**	16356574	45.35	16356574	45.35	-
2		6902244	19.14	6902244	19.14	-
3		373041	1.03	373041	1.03	-
4		123766	0.34	123766	0.34	-
5		90374	0.25	90374	0.25	-
6		24750	0.07	24750	0.07	
7		16000	0.04	16000	0.04	-
8		11555	0.03	11555	0.03	-
9		11520	0.03	11520	0.03	-
10		1000	0.00	1000	0.00	-
11		1000	0.00	1000	0.00	-
12		1000	0.00	1000	0.00	-

13		500	0.00	500	0.00	-
14		500	0.00	500	0.00	-
15		500	0.00	500	0.00	-
16		500	0.00	500	0.00	-

As per our report of even date annexed

Chartered Accountants,
FRN 017800N

Partner	Company Secretary	Chief Finance O f cer	Director	Managing Director
(M.No.553997)			(DIN : 00402712)	(DIN : 00607290)

Freehold Land	15395.74	727.92	56.85	16,066.81	-	-	-	-	16,066.81	15,395.74
Building	31681.95	2466.44	-	34,148.39	7361.81	1269.67	-	8,631.48	25,516.91	24,320.14
Plant & Machinery	74896.86	6042.28	197.05	80,742.09	44213.94	5865.13	30.18	50,048.89	30,693.20	30,682.92
Vehicles	757.44	898.48	49.15	1,606.77	476.75	170.04	42.67	604.12	1,002.65	280.69
O f ce Equipment	1288.00	159.46	0.10	1,447.36	650.52	120.89	0.08	771.33	676.03	637.48
Furniture & Fixtures	825.61	290.25	-	1,115.86	515.50	76.57	-	592.07	523.79	310.11
Software	61.05	-	-	61.05	48.57	4.90	-	53.47	7.58	12.48
Buildings and related equip-ments	1028.43	-	-	1,028.43	268.87	37.98	-	306.85	721.58	759.56

		31-03-2021
		2,519.44
		113.83
		23.63

Freehold Land	15395.74	-	-	15,395.74	-	-	-	-	15,395.74	15,395.74
Building	31678.79	3.16	-	31,681.95	6079.21	1282.60	-	7,361.81	24,320.14	25,599.58
Plant & Machinery	70009.03	5016.35	128.52	74,896.86	37637.82	6576.79	0.67	44,213.94	30,682.92	32,371.21
Vehicles	851.13	48.20	141.89	757.44	510.99	88.52	122.76	476.75	280.69	340.14
O f ce Equipment	1210.20	77.80	-	1,288.00	524.65	125.87	-	650.52	637.48	685.55
Furniture & Fixtures	821.06	4.55	-	825.61	435.50	80.00	-	515.50	310.11	385.56
Software	61.05	-	-	61.05	40.48	8.09	-	48.57	12.48	20.57
Buildings and related equip-ments	1028.43	-	-	1,028.43	228.90	39.97	-	268.87	759.56	799.53

	31-03-2021
	2,766.28
	2,766.28

	2,026.12	-	77.30	-	2,103.42
	-	-	-	-	-

	2,412.07	301.80	52.41	-	2,766.28
	-	-	-	-	-

	As at 31 March 2021	
Investment at fair value through profit or loss	No.of Units	Amount
i) MOIL Ltd. (Equity Shares of Rs.10/-each fully paid up)	3784	5.70
ii) Punjab & Sind Bank (Equity Shares of Rs.10/- each fully paid up)	4893	0.86
iii) Reliance Capital ltd (Equity Shares of Rs 10/-each fully paid up)	3700	0.40
iv) Jaiprakash Associates Ltd (Equity Shares of Rs 2/- each fully paid up)	37000	2.55
v) Jaiprakash Power Venture Ltd (Equity Shares of Rs 10/- each fully paid up)	81000	2.63
i) 993460.717 unit of ICICI short term plan direct growth (50.3291)	-	-
i) Nahar Capital & Financial Services Ltd. (Equity Shares of Rs. 5/- each fully paid up)	577856	603.86
ii) Nahar Poly Films Ltd. (Equity Shares of Rs 5/- each fully paid up)	4248813	4694.94
iii) Shree Panchvati Co-Operative Housing Society Ltd (Equity Shares of Rs.50/- each fully paid up)	10	0.005
iv) Sankeshwar Holding Company Ltd (Equity Shares of Rs 10/-each fully paid up)	95750	257.49
i) 7.39 % Housing and Urban Development Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	7007	85.42
ii) 7.39 % Housing and Urban Development Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	15058	188.10
iii) 7.35 % Indian Railway Finance Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	5878	71.74
iv) 7.35 % National Bank for Agricultural and Rural Development. (Tax free Bonds of Rs.1000/- each fully paid up)	10020	121.04
v)7.35 % National Highways Authority of India. (Tax free Bonds of Rs.1000/- each fully paid up)	7709	97.28
		6132.02
		5,874.52
		257.50
		-

- Unsecured, considered good

Deposits with maturity more than twelve months

Capital advances	824.04
Prepaid rent	6.81
	830.85

Raw Materials	54591.94
Raw Materials (Goods in Transit)	122.72
Work in Process	4722.70
Finished Goods	11778.40
Stock-in-Trade	16.47
Stores & Spares	1635.47
Stores & Spares (Goods in Transit)	14.23
Waste & Rejections	1157.51
	74039.44

Unsecured Considered good unless otherwise stated	30943.54
Doubtful	-
Less: Provision on doubtful debts	-
	30943.54

(I) UNDISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	47828.32	4456.39	12.33	1.13	0.29	0.21	52298.67
(II) UNDISPUTED TRADE RECEIVABLE- WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK	-	-	-	-	-	-	-
(III) UNDISPUTED TRADE RECEIVABLE- CREDIT IMPAIRED	-	-	-	-	-	-	-
(Iv) DISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	-	-	-	-	-	-	-
(v) DISPUTED TRADE RECEIVABLE	-	-	-	-	-	-	-

(I) UNDISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	29095.82	1832.25	14.10	0.87	0.50	-	30943.54
(II) UNDISPUTED TRADE RECEIVABLE- WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK	-	-	-	-	-	-	-
(III) UNDISPUTED TRADE RECEIVABLE- CREDIT IMPAIRED	-	-	-	-	-	-	-
(Iv) DISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	-	-	-	-	-	-	-
(v) DISPUTED TRADE RECEIVABLE	-	-	-	-	-	-	-

Balance with banks		63.44
Cash in hand		23.45
Deposits with maturity less than three months		19.20
		106.09
Unpaid Dividend account		69.02
Others		0.60
		69.62
Other financial assets		
Advances to employees		68.31
Interest accrued on FD		-
		68.31
Government grant receivable		1341.92
		1341.92
Advance income tax/TDS/TCS		4233.07
Income Tax Refund Receivable		45.12
Less: Provision for income tax		(3,250.00)
		1,028.19
Prepaid expenses		729.11
Prepaid rent		2.27
Advance to suppliers & other (Recoverable in Cash or kind)		16352.59
Balances with Government authorities		10187.11
GST Deposited Under Protest (Ref Note 30(ix)		500.00
Others		180.71
		27951.79

60,000,000 (Previous year 60,000,000) equity shares of Rs. 5 each		3000.00
36,065,303 (Previous year 36,065,303) equity shares of Rs. 5 each fully paid up		1803.27
Add : Share forfeited		2.04
		1805.31

The company has only one class of shares having par value at Rs. 5/-per share. Each holder of equity shares is entitled to one vote per share.

Number of shares at the begning of the Financial year		3,60,65,303
Add: Shares Issued During the year		-
Less: Share buy back during the year		-
Number of shares at the end of the Financial year		3,60,65,303

	As at 31st March, 2021	
	No. of shares	
1. Nahar Capital and Financial services Limited	1,63,56,574	45.35
2. Nahar Poly Films Limited	69,02,244	19.14

	No. of shares
Rs.2.50 per Share	80,298
Rs.5.00 per Share	710

	As at 31st March 2021
Term Loan of Rs. 2175 Lacs is Secured by frst Pari-Passu Charge with other term lenders by way of hypothication of all the fxed assets of the company both present and future The Term Loan is personally guaranteed by three Directors of the Company.	-Term Loan is repayable in quarterly installments by 30/06/2024 Rate of Interest 31.03.2022, 7.25% p.a and 31.03.2021, 9.15% p.a
-Term Loan of Rs 6600 Lacs is secured by Plant & Machinery to be purchased out of the proposed term loan Second charge on entire block of assets of the company inclusive of all units pertaining to the erstwhile NEL (Nahar Export Ltd) to be shared on pari-passu basis with the Consortium member Banks.(Except the assets fnanced by SBI at Lalru/Lehli and assets fnanced by ICICI bank.) The Term Loan is personally guaranteed by three Directors of the Company.	- Term Loan is repayable in quarterly installments by 31/03/2027. Rate of Interest 31.03.2022, 7.35% p.a and 31.03.2021, 9.15 % p.a
Term Loan of Rs. 11300 Lacs is Secured by frst Pari-Passu Charge on movable fxed assets of the Company both present and future. - First pari-passu charge over immovable fxed assets i.e Land & Building , measuring 52.20 acres(Mortgage) situated at village simrai mandideep , M.P. - Second pari-passu charge over all the current assets of the company both present and future The Term Loan is personally guaranteed by three Directors of the Company.	-Term Loan is repayable in quarterly installments by 31/03/2025. Rate of Interest 31.03.2022, 7.90% p.a and 31.03.2021, 8.45% p.a
Term Loan of Rs. 27500 Lacs is Secured by frst Pari-Passu Charge with other term lenders by way of Hypothecation of entire fxed assets of the Company including equitable mortgage of :(i) 1st pari passu basis to term lenders which includes 40.20 acres of land at Village Simrai, Mandideep, Raisen , Madhya Pradesh and 12.62 acres of land located at Village Itayakalan, Mandideep, Madhya Pradesh. (ii) Negative lien on all other immovable assets of the company both present and future. -Second Pari-Passu Charge with other term lenders by way of Hypothecation of entire current assets including stock of raw material, stock in progess, fnished goods, store & spares /consumable and receivables/book debts , other current assets , both present and future. The Term Loan is personally guaranteed by three Directors of the Company.	-Term Loan is repayable in quarterly installments by 31/03/2031. Rate of Interest 31.03.2022, 7.25% p.a and 31.03.2021, N.A
Other financial liability	
Retention money	-
	-

		As at 31st March 2021
Timing Difference on account of Depreciation, Change in rate of Tax, IND AS adjustment etc.		2464.62
"Difference on account of Allowances under section 43B, Loss & Others etc.		(169.00)
		2295.62
Deferred income		-
		-
Loans from banks- Secured		81884.32*
(including current maturities of Covid-19 facility)*		
Secured by (I) Hypothecation of entire current assets of the company both present and future. (II) 2nd Charge (on pari-passu basis) over entire plant and machinery, present or future, of all the units of the company and also personally Guaranteed by Chairman, Managing Director and one Director of the Company.		
Current maturities of long term debts		2590.69
Inter Corporate Deposits (Unsecured Loans)		
-From Related Parties		3800.00
		88275.01
---total Outstanding dues of micro enterprises and small enterprises		227.89
---total Outstanding dues of creditors other than micro enterprises and small enterprises		2987.46
		3215.35

(i) MSME	23.22	-	-	-	-	23.22
(ii) Other	1,790.58	84.30	2.46	1.10	0.84	1,879.28
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

(i) MSME	227.89	-	-	-	-	227.89
(ii) Other	2,802.91	116.14	24.46	3.51	40.44	2,987.46
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

		As at 31st March 2021
Other financial liabilities		
Retention money		49.66
Unpaid dividends		69.02
Others		2.27
Advances from customers		1860.57
Dues to director		21.79
Government dues		476.81
Deferred income		0.56
Others		14786.81
		17146.54
Provision for Gratuity		250.93
Sales - Export		114634.35
Sales - Domestic		92746.08
Export incentives		2420.80
Sale of services		980.31
Miscellaneous sales		218.98
Miscellaneous receipts		137.33
Claims received		48.90
		211186.75
Interest income		182.10
Dividend income		47.93
Rental income		205.12
Balances written back		44.13
Gain on sale of Property, Plant & Equipment		131.26
Exchange Rate Diference (Net)		39.58
Net gain on sale of investments		4.57
Net MTM gain on Forward Contracts		33.37
Miscellaneous income (including deferred income)		8.43
		696.49
Opening stock		47152.29
Add : Purchases (Net)		139872.71
Less: Closing Stock		(54,591.94)
		132433.06
Hosiery Garments/others		275.42
Cotton Yarn		16.85
		292.27

		As at 31st March 2021
Change in inventories of finished goods/		
Opening stock		
Work-in-Progress		4635.53
Finished Goods / Stock in Trade		11126.45
Less: Closing Stock		
Work-in-Progress		(4,722.70)
Finished Goods / Stock in Trade		(12,952.38)
Employee benefit expense		
Salary and wages		17121.71
Contribution to PF, ESI and Gratuity Fund		1677.48
Employees Welfare Expenses		203.77
		19002.96
Interest on term loan		1413.15
Interest on cash credit		4214.86
Interest to others		800.08
Other borrowing costs		98.08
		6526.17
Consumption of stores & spare parts		667.28
Power and Fuel		24576.79
Dyes & Chemicals		1504.94
Rent		32.61
Repair to Buildings		213.36
Repair to Machinery		3092.37
Insurance		775.31
Rates and taxes		131.74
Payment to auditors (ref note 24.1)		13.25
Exchange Rate Diference (Net)		-
Brokerage/commission on sale		878.47
Cost of Raw Material Sold		251.48
Freight and forwarding		4919.32
Packing Store Consumed		3123.82
Vehicle Maintenance and Conveyance		220.26
Bank Charges		417.73
Others		1167.82
		41986.55
Audit Fees		12.94
Certifcation Charges		0.15
Out of Pocket Expenses		0.16
		13.25

	As at 31st March 2021
(1) Current tax	
Provision for Taxation	-
(2) Deferred tax liabilities	1,212.00
	1,212.00

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and

Accounting profit before tax	5,353.49
All india's statutory income tax rate of 25.168% (31st March 2021: 25.168%)	1,347.37
Reversal of deferred tax assets / liabilities on temporary differences etc.	(135.37)
	1,212.00

of profit and loss

Nahar Spinning Mills Limited (the "Company") incorporated as a Private Limited company in 1980 and became a Public Limited company in 1983. Nahar Spinning Mills Limited is engaged in the business of manufacture of cotton yarn/blended yarn and hosiery knitwears. The company is a public Limited company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, Its shares are listed in recognized stock exchanges of India. The registered office of the company is located at 373, Industrial Area 'A', Ludhiana.

II. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies Indian Accounting Standard Rules, 2015 notified under section 133 of the Companies Act,2013 (the Act) and other relevant provisions of the Act. The Financial statements of the company for the year ended 31 March,2022 have been approved by the Board of Directors at their meetings held on 25th May,2022

The financial statements of the company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans- assets measured at fair value.

The Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded of to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(iii) Current/Non-current classification :

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Items included in the financial statements of each of the company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company 's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of profit and loss.

(i) Revenue arises mainly from the sale of manufactured and traded goods. To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfed.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on

sales such as goods and service tax, etc.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfes performance obligations by transferring the promised goods or services to its customers.

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that refects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefts from goods.

Revenue from services is recognised as and when the services are rendered and on the basis of contractual terms with the parties.

(ii) Export Incentives- Export incentives are recognised on post export basis.

(iii) Interest income - Interest income is recognised on accrual basis.

(iv) Dividend income - Dividends are recognised in proft or loss only when the right to receive payment is established

(v) Rental Income- Rental income is accounted for on accrual basis.

(vi) Scrap (i.e empties, miscellaneous scrap etc.) is accounted for on sale basis

(vii) Income and other Claims -Revenue in respect of claims is recognised when no Signifcant uncertainty exists with regard to the amount to be realised and ultimate Collection thereof .

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grant relating to income are deferred and recognised in the proft or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are recognised in the statement of proft or loss over the period of useful life of asset.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction by the end of the reporting period adjusted by changes in deferred tax assets and liabilities attributable to temporary diferences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary diferences arising between the tax bases of assets and liabilities and their carrying amounts in the fnancial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary diferences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary diferences and losses. . Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised

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For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other bank balances and bank overdrafts.

Inventories are valued at cost or net realizable value, whichever is lower. However to determine the cost, the following methods are adopted:-

1. a) For Raw Material on moving weighted average method plus direct expenses.
   b) For Stores and Spares on moving weighted average method plus direct expenses
   c) For Work - in - Process, cost of Raw Material plus appropriate share of manufacturing expenses/ relevant Overheads/conversion cost depending upon the stage of completion.
2. For Finished goods, cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.
3. Further Wastage and Rejections are valued at net realizable value only.
4. Goods in Transit are valued at cost.

(i) Classification

- The company classifes its financial assets in the following measurement categories -
- Those to be measured subsequently at fair value (either through other comprehensive income or through Statement of profit and loss), and
- Those measured at amortised cost

The classifcation depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at the fair value through other comprehensive income.

At initial recognition, the company measures a financial asset at its fair value plus transaction cost that are directly attributable to the acquisition of the financial asset. In the case of a financial asset at fair value through profit or loss, transaction costs of financial assets are expensed in the Statement of profit and loss.

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassifcation of fair value gains and losses to profit or loss.

(iii) Impairment of financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use.

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a signifcant increase in credit risk.

For trade receivables only, the company applies the simplifed approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual

obligation to pay the cash flows to one or more recipients.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifable cash inflows which are largely independent of the cash inflows from assets or group of assets (cash-generating units). Non-Financial assets sufered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

Non-current assets are classifed as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefts, financial assets and contractual rights under insurance contracts, which are specifcally exempt

Non-current assets are not depreciated or amortised while they are classifed held for sale. Interest and other expenses attributable to the liabilities of disposal, company classifed as held for sale, continue to be recognised.

The company enters into certain derivatives/forward contracts to hedge foreign currency risks which are not designated as hedges. Such contracts are accounted for at fair value through proft or loss

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use.

Depreciation methods, estimated useful lives and residual value

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in the Schedule II to the Companies Act, 2013.

a) In Garment Division at Ludhiana, depreciation is charged on W.D.V. basis

b) In all other units, depreciation is charged on Straight Line basis The residual values are not more than 5% of the original cost of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classifed as capital advances under other 'non-current assets' and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefts associated with these will fow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in the Statement of Proft and Loss when incurred.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Proft and Loss.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classifed as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefts associated with the expenditure will fow to the company and cost of the item can be measured reliably.

Investment properties are depreciated using the written down value method over the useful life of 60 years.

Computer software are stated at cost less accumulated amortisation and impairment ,if any. Amortisation methods and periods

The company amortises the computer software with a finite useful life over the period of 6 years.

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(t) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits if any, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long term employee benefit obligations

The liabilities if any, which needs to be settled after 12 months from the end of the period in which the employees render the related services are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(iv) Defined contribution plans

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund

and Miscellaneous Provisions Act, 1952 and is charged to the Statement of Profit and Loss.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities as at the date of financial statements and reported amount of income and expenses during the period.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Designation of financial assets /liabilities through FVTPL
- Estimation of defined benefit obligation
- Recognition of deferred tax assets for carried forward tax losses

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on company and that are believed to be reasonable under the circumstances.

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS)-7 "Statement of Cash Flows" using indirect method for operating activities.

Basic earning per share is calculated by dividing :

- The profit attributable to equity share holders and
- By the weighted average number of equity shares outstanding during the financial year.

Diluted earning per share adjusts the figures used in the determination of basic earning per share to take in to account :

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Ministry of Corporate Affairs ("MCA") notifes new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarifcation and the Company does not expect the amendment to have any signifcant impact in its financial statements.

The amendment clarifes the treatment of any cost or fees incurred by an entity in the process of derecognition of financial liability in case of repurchase of the debt instrument by the issuer. The amendments are not applicable on the company.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The amendments are not applicable on the company.

a) Excise/Service Tax/Sales Tax/Income Tax/ Other Government Authorities have raised demands of Rs. 190.07 Lacs (31 March 2021: Rs.403.35 Lacs) out of which a sum of Rs. 7.14 Lacs (31 March 2021: Rs.7.14 Lacs) has been deposited against said demand. Further these demands have been contested in appeal and no provision has been made in the financial statement.

b) The Madhya Pardesh Government's Ordinance to collect cess on Captive Power generation was declared ultravires by the Hon'ble Supreme court vide order dated 09/12/2003 but the State Government subsequently enacted an Act namely M.P.Upkar (Sanshodhan Tatha Vidhimanyatakaran) Adhiniyam 2004 on 15th April 2004 which deemed to have come in to force from 29.06.2001.After the above act, the M.P.High Court passed an order dated 31/08/2007 to collect the dues of Cess from Captive Power plant users along with interest. According to this order, on the disputed amount, Rs. 252.04 Lacs (31 March 2021: Rs.240.41 Lacs) is payable as interest .The above referred order has been challenged by some actual users in Hon'ble Supreme Court and matter being sub-judice,hence liability has not been provided for in the books.

c) The Company has given Bank Guarantees for Rs. 5 Lacs (31 March 2021 : Rs. 5 Lacs) in favour of Punjab Pollution Control Board and Bank Guarantee for Rs.6.69 Lacs (31 March 2021 : Rs. 6.69 Lacs) in favour of Ministry of Textiles.

d) Levy of Entry Tax on certain items including yarn by the Punjab Government is subjudice before the Hon'ble Punjab & Haryana High Court .The Punjab Government has deferred the same subject to undertaking by the company that if the same is hold valid by the Hon'ble High Court , then company will deposit the same w.e.f the date of undertaking . The amount of such entry tax is Rs. 153.50 Lacs (31 March 2021: Rs.153.50 Lacs) .It has no material efect on the proftability of the company as either company will get refund or get ITC of the same.

Estimated amount of Contracts remaining to be executed, net of advances :

On Capital Accounts	3,747.26
On Others	663.19

There are no Micro & Small enterprises covered under Micro, Small and Medium Scale Development Act,2006, to whom the company owes dues, which are outstanding for more than 45 days. This information has been determined on the basis of information received from the parties

The principal amount and the interest due thereon (to be shown separately) remaining unpaid	-

The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-
The amount of interest accrued and remaining unpaid	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-

I. Salaries & wages incurred during the year on repairs and maintenance of Building and Plant & Machinery etc. have been charged to former accounts and not shown separately.

II. In the opinion of the board, the value of Current Assets, Loans and Advances have a value in the ordinary course of business at least equal to that stated in the balance sheet.

III. Some balances of Trade Payables, Advances and Trade Receivables are subject to their Confirmation.

IV. Borrowing cost amounting Rs. 18.77 Lacs (31st March 2021 : Rs. 70.69 Lacs) has been capitalized during the year.

V. Material events occurring after the balance sheet date are taken into cognizance.

VI. To meet its CSR Obligation under section 135 of Companies Act, 2013 and as per the company's CSR policy approved and adopted by the Board of Directors, company joined hands with Group Companies under one umbrella, to undertake the CSR projects through Oswal Foundation. Oswal Foundation is a Registered Society formed in the year 2006 having its charitable objects in various fields.

During the year 2021-22 company is required to spend Rs. 53.91 Lakhs on CSR activities. Accordingly to fulfil its obligation under CSR, the company contributed Rs. 53.91 Lakhs to the Oswal Foundation for undertaking Health care projects as approved by the consortium of the Group companies formed to undertake CSR activities through Oswal Foundation.

(Rs. in Lacs)

The amount required to be spent	Nil
The amount spent/Contributed	Nil

VII. The Company had entered into a contract with Trident International Holdings FZCO, Dubai to purchase property for official use for a consideration of Thriteen Million Three hundred nineteen thousand eight hundred ninety eight Dirhams. The company has paid Seven Million Nine hundred ninety one thousand nine hundred forty Dirhams. (INR 939.51 Lacs) As per the contract, the above said party was supposed to handover the contracted property at the end of 1st Quarter of 2011. The said party breached the contract, thus company is entitled to recover full payment of the amount paid and reasonable interest and damages etc. and for this purpose the company has intiated legal proceedings against the party to recover the amount. The arbitration order has been decided in favour of the company and the company has filed execution & recovery petition Till company recovers the amount by a legal process,the amount paid by the company has been shown as advances recoverable in Cash or Kind.

VIII. The Company has purchased Guest House at Shimla from Bemloi development and Infrastructure Co. P Ltd. (DLF Group) New Delhi for value of Rs. 389 Lacs plus applicable Taxes, as per agreed payment terms based on construction work. Till date company has paid 95% demanded amount as a part consideration of the said property. Since the builder M/s Bemloi Development and Infrastructure Company (p) Ltd. (DLF Group), New Delhi failed to fulfil the commitment, complete the construction and deliver the possession within stipulated time, therefore company has filed a case before National Consumer Disputes redressal

Commission for redressal of our claim of the advance paid of Rs. 382 Lacs alongwith compensation and interest. This amount has been shown as advances recoverable in Cash or Kind.

IX. Advances recoverable amount includes Rs. 500 Lacs on account of GST paid under protest and final treatment of this expense would be considered as and when the matter is finally adjudicated.

X. During the year, the company participated in E-auction conducted by DRT Chandigarh for purchase of one Textile unit. Being highest bidder, the company deposited full amount of Rs.3797.60 Lacs with respective authorities. But purchase has not been finalised being matter sub-judice, hence amount deposited has been shown as Capital Advance.

XI. The company is operating in single segment i.e Textiles. Hence segment reporting as required under IND AS 108 (Operating Segments) is not applicable.

Sales of the company is evenly distributed, disclosure of major customer is not being made. There is no single customer having sale more than 10% of the turnover of the company.

		1,419.19
Provided during the year		-
Adjusted /Received during the year		77.27
		1,341.92
Current		1,341.92
Non-current		-
		1,341.92

Government grants have been received/receivable for the purchase of certain items of property, plant & equipment and MP state sales tax incentives There are no unfulfilled conditions or contingencies attached to these grants.

32. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various

assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 36.Fair value measurement of financial instruments When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using other valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: 'interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to 'the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding 'for the whole year . A 50 basis point Increase or decrease is used when reporting interest rate risk internally to Key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Variable rate borrowings	90,232.73
Fixed rate borrowings	17,153.99

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings afected. With all other variable held 'constant, the Company's proft before tax is afected through the impact on foating rate borrowings, as follows:

	Effect on profit before tax
Increase by 50 basis points	(451.16)
Decrease by 50 basis points	451.16

Foreign currency risk is the risk that the fair value of future cash fows of an exposure will fuctuate because of changes in nternational currencies as part of the business is transacted in foreign currencies and consequentaly the company is exposed to foreign exchange risk. The Company's exposure in foreign currency is in loans, trade receivables and advances and trade payables.

Trade Receivables	-	-
Trade Payables	-	0.15
Others	35.28	4.72

Trade Receivables	-	-
Trade Payables	-	0.07
Others	-	-

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Company's proft before tax is due to changes in the fair value of monetary assets and liabilities.

	11.10	(11.10)
	-	-
	(0.27)	0.27
Increase/(decrease) in Profit or Loss	10.83	(10.83)

The foreign currency exposure of the Company as on reporting date is as under. The company does not use forward contracts for speculative purpose.

(in Lacs)

	USD
Forward contracts against exports	238.18
Foreign Currency Loans	-
Packing Credit in Foreign Currency	-

The Company's exposure price risk arises from investments held and classifed in the balance sheet either as fair value through other comprehensive income or at fair value through proft or loss. To manage the price risk arising from investments, the Company diversifes its portfolio of assets.

Credit risk is the risk that counterparty will not meet its obligations under a fnancial instrument or customer contract, leading to a fnancial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of fnancial instruments with diferent characteristics. The Company assigns the following credit ratings to each class of fnancial assets based on the assumptions, inputs and factors specifc to the class of fnancial assets.

(i) Low credit risk on reporting date

(ii) Moderate credit risk

The Company provides for expected credit loss based on the following:

Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other fnancial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other fnancial assets	Life time expected credit loss or 12 month expected credit loss

Based on business environment in which the Company operates, a default on a fnancial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates refecting defaults are based on actual credit loss experience and considering diferences between current d 7 con s

	31st March 2021
Not Due	29,095.82
Up to 6 Months past Due	1,832.25
6 Months to 1 Year past Due	14.10
1 to 2 Year	0.87
2 to 3 Year	0.50
More than 3 Year	-
	30,943.54

More than 1 year	-	-

	31st March 2021
	-
Add: Provision made during the year	-
Less: Provision Written Back during the Year	-
	-

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company has access to the following undrawn borrowing facilities at the end of the reporting periods -

-Working Capital Limits	19,827.43
-Term loan from banks	-

Contractual Maturities of long term borrowings				
Contractual Maturities of trade payables				
Contractual Maturities of other financial liabilities				
Contractual Maturities of long term borrowings	6,390.69	13,152.25	5,090.00	907.52
Contractual Maturities of trade payables	3,215.35	-	-	-
Contractual Maturities of other financial liabilities	49.66	-	-	-

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The Company includes within net debt, interest bearing loans and 'borrowings, trade payables, less cash and cash equivalents.

Borrowings		1,07,386.72
Trade payables		3,215.35
Less: Cash and cash equivalents		106.09
		1,10,495.98
Equity		89,790.88
		2,00,286.86
Gearing ratio		0.55

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021

Final dividend for the year ended on 31 March 2021: 1.50 per share (31 March 2020: Nil)		-
Interim dividend for the year ended on 31 March 2022: 1.50 per share (31 March 2021: Nil)		
		-
		-
Final cash dividend for the year ended on 31 March 2022: 2.00 per share (31 March 2021: Rs. 1.50 per share)		540.98
		540.98

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognised funds in India.

Changes in defined benefit obligation		
Gratuity Plan		4,096.14

The amounts recognised in the balance sheet and the movements in the net defned beneft obligation over the year are as follows:

Changes in defined benefit obligation		
Present value obligation as at the start of the year		3,866.17
Interest cost		242.09
service cost		440.81
Benefts paid		(283.48)
Actuarial loss/(gain) on obligations		(169.45)

Fair value of plan assets as at the start of the year		3,805.23
Return on plan assets		240.96
Return on plan assets (greater)/less than discount rate		4.77
Contribution		87.27
Benefts paid		(283.48)

Actuarial (gain)/loss on arising from change in fnancial assumption		47.93
Actuarial (gain)/loss on arising from experience adjustment		(217.38)
Return on plan assets (greater)/less than discount rate		4.77

Reconciliation of present value of defined benefit obligation and the		
Present value obligation as at the end of the year		4,096.14
Fair value of plan assets as at the end of the year		3,845.21
Net asset/(obligation) recognized in balance sheet		(250.93)

Amount recognized in the statement of profit and loss		31-Mar-21
service cost		440.81
Interest cost		1.13
(Income)/Expense recognised in the statement of proft and loss		441.94

Actuarial (Gain)/Loss for the year on DBO		(169.45)
Return on plan assets (greater)/less than discount rate		4.77
		(164.68)

		31-Mar-21
Discount rate		6.30%
Future salary increase		5.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

		31-Mar-21
		6.30%
Present value obligation as at the end of the year		4,096.14
a) Impact due to increase of 0.50%		(117.75)
b) Impact due to decrease of 0.50%		124.90
		5.00%
Present value of obligation at the end of the year		4,096.14
a) Impact due to increase of 0.50%		125.26
b) Impact due to decrease of 0.50%		(119.14)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defned benefit obligation as a result of reasonable changes in key assumptions occuring at the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(Rs. in Lacs)

March 31, 2022		652.13
March 31, 2023		504.04
March 31, 2024		532.86
March 31, 2025		586.46
March 31, 2026		576.65
March 31, 2027		
March 31, 2022 (March 31, 2028 to March 31, 2032) and March 31,2021 (March 31, 2027 to March 31, 2031)		3,300.86
		6,153.00

		31-Mar-21
		10.00%
Efect on DBO due to 5 % increase in Withdrawal Rate		45.79
Efect on DBO due to 5 % decrease in Withdrawal Rate		(102.30)

The average duration of the defned benefit plan obligation at the end of the reporting period is 6 years. (31st March 2021: 6 years)

Post Employement Benifit of KMP's

Sh. Dinesh Oswal	01-01-1987	14.57	14.48
Sh.Anil Kumar Garg	01-02-1993	16.11	14.59
Sh. Brij Sharma	11-09-1989	17.82	16.07

37 Reconciliation of Changes in liablities arising from financing activities including both changes arising from cash flowsand non-cash changes as per the requirement of IND AS-7 'Statement of Cash Flows'

- Sh. Dinesh Oswal (Managing Director), Sh. Anil Kumar Garg (CFO), Sh. Brij Sharma (Company Secretary)

- Sh.Jawahar Lal Oswal, Sh. Kamal Oswal, Mrs. Abhilash Oswal, Mrs.Ritu Oswal, Mr. Sambhav Oswal and Ms. Tanvi Oswal

Sh. Dinesh Gogna, Sh. Satish Kumar Sharma, Dr. Suresh Kumar Singla, Dr. Amrik Singh Sohi, Dr. Vijay Asdhir, Dr. Roshan Lal Behl, Dr. Manisha Gupta

(Rs. in Lacs)

Purchase of Goods/Services	1,067.44	1,005.63	-	-	1,067.44	1,005.63
Sale of Goods/shares/Services	8,188.96	7,803.11	-	-	8,188.96	7,803.11
Purchase of Shares	-	74.11	-	-	-	74.11
Purchase of Fixed Assets	8.69	-	-	-	8.69	-
Rent Paid	26.08	26.08	4.25	4.16	30.33	30.24
Interest Paid	425.12	792.76	-	-	425.12	792.76
Rent Received	80.09	78.16	11.50	10.95	91.59	89.11
On other account paid	11.43	88.53	-	-	11.43	88.53
On other account received	101.92	52.80	-	-	101.92	52.80
Contribution towards CSR Expenses	53.91	-	-	-	53.91	-
Sale of Export Licence	137.49	215.56	-	-	137.49	215.56
Purchase of Export Licence	0.83	-	-	-	0.83	-
Inter-corporate Loans Taken	3,725.00	4,875.00	-	-	3,725.00	4,875.00
Inter-corporate Loans Repaid	10,225.00	4,375.00	-	-	10,225.00	4,375.00
Inter-corporate Loans Out standing	1,000.00	7,500.00	-	-	1,000.00	7,500.00
Director Sitting Fee	-	-	3.50	3.30	3.50	3.30
Commission	-	-	478.82	-	478.82	-
Managerial Remuneration/ Perquisites	-	-	2,305.63	951.98	2,305.63	951.98
Salary	-	-	91.80	67.78	91.80	67.78
Balance Receivable	1,188.78	1,276.09			1,188.78	1,276.09
Balance Payable	-	-	1,113.05	21.79	1,113.05	21.79

* All transactions are inclusive of taxes wherever applicable.

* Salary paid to CFO and Company Secretary is shown in the director's report and is not included in the above list of transactions.

Investments	517.07	30,100.13	-	12.14	6,119.88	-
Trade receivables	-	-	52,298.67	-	-	30,943.54
Security deposit	-	-	3,186.69	-	-	2,529.82
Other financial assets			90.87			68.31
Cash and equivalents	-	-	301.09	-	-	106.09
Other bank balances			74.03			69.62
Financial liabilities						
Borrowings(excluding current maturities of long term debts)	-	-	97,827.16	-	-	1,04,796.03
Trade payable	-	-	1,902.50	-	-	3,215.35
Other financial liabilities	-	-	107.51	-	-	120.95

The Company has classified its fnanical instruments into the three levels prescribed under the accounting standards. An explanation of each level follows undereath the table.

Investments	28,881.01	0.005	1,736.18	5,874.52	0.005	257.49
Total financial assets						
Trade receivables			52,298.67			30,943.54
Security deposit	-	-	3,186.69	-	-	2,529.82
Other financial assets	-	-	90.87	-	-	68.31
Cash and equivalents	-	-	301.09	-	-	106.09
Other bank balances	-	-	74.03	-	-	69.62
Total financial assets						
Borrowings(excluding current maturities of long term debts)			97,827.16			1,04,796.03
Trade payable			1,902.50			3,215.35
Other financial liabilities	-	-	107.51	-	-	120.95

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutua funds are valued using the closing NAV.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specifc estimates. If all signifcant inputs required to fair value an instrument are observable, the instrument is inlcuded in Level 2.

If one or more of the signifcant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnifcation asset included in level 3.

(c) Fair value of financial assets and liabilities measured at amortised cost

Security deposit	3,186.69	3,186.69	2,529.82	2,529.82
Total financial assets				
Borrowings(excluding current maturities of long term debts)	97,827.16	97,827.16	1,04,796.03	1,04,796.03
Retention Money	38.90	38.90	49.66	49.66
Total financial liabilities				

The carrying amounts of trade receivables, trade payables,advances to employees, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to short term nature.

The fair values for security deposits were calculated based on cash fows discounted using a current lending rate. They are classifed as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

41. Results for the year ended 31st March, 2022 and the corresponding for the year ended 31st March, 2021 are not comparable as the results of the previous period were impacted on account of Covid-19 pandemic.

"The Company has considered the possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position and recoverability of the carrying value of its assets on account of future uncertainties in the Global Market , based on the internal and external sources of information and application of the reasonable estimates, the company does not forsee presently any siginifcant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the forseeable future.

42. The Ministry of Commerce and Industry vide notifcation dated August 17, 2021 introduced new scheme for Remmission of Duties and Taxes on eligible goods exported (RoDTEP) w.e.f January 1, 2021. Accordingly the company has recognised during the year benefit of RoDTEP of Rs. 996.45 Lacs pertaining to eligible export sales for the period from January 1, 2021 to March 31,2021.

43. The Schedule III to the Companies Act,2013 has been amended in respect of certain regrouping / disclosures vide notifcation dated 24th March,2021 which are applicable w.e.f 1st April 2021, the fgures have been presented in the above financial results after considering the said amendments . The fgures of the correseponding previous period / year have been regrouped wherever considered necessary to correspond to current period/year disclosures.

				Differ	
June,2021	Stock	68279	67365	914	Diference is during compliation of Data, However assets are given on lower side
June,2021	Trade Receivables	26709	26428	281	---------do--------

1	Current ratio (in times)	Total current assets	Total current liabilities		1.24	25%	Improvement is due to better profitability and better sales realisation.
2	Debt-Equity ratio (in times)	Debt consists of total borrowings	Total equity		1.20	-47%	Due to better profitability and increase in OCI
3	Debt service coverage ration (in times)	Earning for Debt Service=Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service=Interest + Principal repayments		2.06	114%	Improvement is due to better profitability and better sales realisation.
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average Total equity		0.05	700%	Improvement is due to better profitability and better sales realisation.
5	Inventory Turnover Ratio (in times)	Revenue from operations	Average Inventory		3.04	32%	Due to higher sales
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables		7.27	19%	-
7	Trade payables turnover ratio (in times)	Net Credit Purchases	Average trade payables		59.41	82%	Due to increase in purchases and lower trade payables
8	Net capital turnover ratio (in times)	Revenue from operations	Working capital		7.96	-28%	Due increase in working capital (increase in price of fnshed products and raw material)
9	Net profit ratio (in %)	Profit for the year	Revenue from operations		1.96	613%	Improvement is due to better profitability and better sales realisation.
10	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed= Net worth + Total debts+ Deferred tax liabilities)		0.06	367%	Improvement is due to better profitability and better sales realisation.
11	Return on investment (in %)	Income generated from invested funds	Average cost invested funds in investments		0.04	25%	Minor variation

Notes

Performance At A Glance

Rupees in Lacs

SR. NO.	PARTICULARS	2017-18	2018-19	2019-20	2020-21	2021-22
1	OPERATING INCOME	213319	230519	208270	211186	359386
2	EXPORTS	126404	139409	110762	114634	217553
3	OTHER INCOME	899	1265	728	696	1451
4	GROSS PROFIT(Before Interest & Dep)	9752	24343	6623	20081	81841
5	PROFIT AFTER TAX	-3218	6512	-5306	4141	50219
6	CASH ACCRUALS (Before Tax & Dep.)	4777	18838	358	13555	75018
7	GROSS BLOCK	99869	112014	121055	125935	136216
8	NET BLOCK	70853	74713	75597	72399	75208
9	SHARE CAPITAL (PAID UP)	1805	1805	1805	1805	1805
10	NET WORTH	81855	87696	81914	89791	160056
11	DEFERRED TAX RESERVE	2469	2997	579	2296	5309
12	CURRENT RATIO	1.12	1.14	1.18	1.24	1.56
13	BOOK VALUE PER SHARE	226.97	243.16	227.13	248.97	443.80
14	EARNING PER SHARE (BASIC)	-8.92	18.22	-14.41	11.33	139.50
15	FACE VALUE (PAID UP)	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5
16	DIVIDEND	10%	20%	-	30%	*Interim 30% Final 40%
					* (Paid in November 2021)	

Glimpse of CSR Project under taken by Oswal Foundation

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